

AUG-18-2002 14:27

CT CORPORATION

7137391932 P.02/03



State of Utah
DEPARTMENT OF COMMERCE
Division of Corporations & Commercial Code

EXPEDITE

RECEIVED

AUG 16 2002

File Number

Check Here If: Non-Refundable Fee:
☒ Profit \$30.00
☐ Nonprofit \$20.00

Application for Authority to Conduct Affairs for a Foreign Corporation

Solaris Exploration Corp.

Exact Corporate Name

- A corporation of the state of TEXAS incorporated 21 day of December, 2001 (year)
- The corporation's period of duration is Perpetual (specify perpetual).
- The address of the corporation's principal office is:
16800 Imperial Valley Drive, Suite 380 Houston Texas 77060
Street Address City State Zip
- The Registered Agent in Utah is: CT Corporation System
 The street address of the registered office in Utah is:
50 West Broadway Salt Lake City Utah 84101
Street Address City State Zip
I, CT Corporation System, agree to act as a registered agent for the above-mentioned foreign corporation.
 Signature of Registered Agent (Required) By: [Signature] **Assistant Secretary**

- The business purposes to be pursued in Utah are: Oil & gas exploration and production
- The corporation commenced or intends to commence business in Utah on: August 15, 2002
- The names and addresses of the corporation's officers and directors are:

Name	Address	City	State	Zip
President: <u>John R. Stanley, Sr.</u>	<u>4 Shorelake Drive</u>	<u>Kingwood</u>	<u>Texas</u>	<u>77339</u>
Vice-President: <u>Lynn Faust</u>	<u>2302 Willow Pass</u>	<u>Kingwood</u>	<u>Texas</u>	<u>77339</u>
Secretary: <u>Lynn Faust</u>	<u>2302 Willow Pass</u>	<u>Kingwood</u>	<u>Texas</u>	<u>77339</u>
Treasurer: <u>Lynn Faust</u>	<u>2302 Willow Pass</u>	<u>Kingwood</u>	<u>Texas</u>	<u>77339</u>
Director: <u>Eileen Stanley</u>	<u>4 Shorelake Drive</u>	<u>Kingwood</u>	<u>Texas</u>	<u>77339</u>

- A certificate of Good Standing/Existence from the State of Incorporation dated no earlier than ninety (90) days prior to filing with this office is attached to this application.
- If the name is not available in Utah the corporation shall use _____
 (Please refer to (U.C.A. 16-10a-1004).)

Under penalty of perjury, I declare that this application for Certificate of Authority has been examined by me and is, to the best of my knowledge and belief, true, correct and complete.

BY: [Signature] TITLE: Vice President DATE: 8/15/02
Corporate Officer

FREE! You may visit our Web Site to access this document and other information.

Mail In: S.M. Box 146705
 Salt Lake City, UT 84114-6705
 Walk In: 160 East 300 South, Main Floor
 Corporation's Information Center: (801) 530-4849
 Toll Free Number: (877) 526-3994 (Utah Residents)
 Fax: (801) 530-6438
 Web Site: <http://www.commerce.utah.gov>

Date: 08/19/02
 Receipt Number: 631039
 Amount Paid: \$145.00

commercenet/CorpAuthCerts
 Revised: 02-23-02 m

UT001 - 01/17/00 CT System Online

08-16-02P02:02 NCVD

AUG-16-2002 14:27

CT CORPORATION

7137591958 P.03/03

Corporations Section
P.O. Box 13697
Austin, Texas 78711-3697



Gwyn Shea
Secretary of State

Office of the Secretary of State

The undersigned, as Secretary of State of Texas, does hereby certify that the document, Articles of Incorporation for Solaris Exploration Corp. (filing number: 800038962), a Domestic Business Corporation, was filed in this office on December 21, 2001.

It is further certified that the entity status in Texas is active.

In testimony whereof, I have hereunto signed my name officially and caused to be impressed hereon the Seal of State at my office in Austin, Texas on August 16, 2002.



Gwyn Shea

Gwyn Shea
Secretary of State

PHONE (512) 463-5555
FAX (512) 463-5555

Come visit us on the internet at <http://www.sos.state.tx.us/>
FAX (512) 463-5709

TTY 7-1-1

TOTAL P.03

03-16-02P02:02 RCVD

STATE OF UTAH
DEPARTMENT OF COMMERCE
REGISTRATION
SOLARIS EXPLORATION CORP.

EFFECTIVE
08/16/2002

EXPIRATION
*RENEWAL

REFERENCE NUMBER(S), CLASSIFICATION(S) & DETAIL(S)

Corporation - Foreign - Profit
5176200-0143

CT CORPORATION SYSTEM
SOLARIS EXPLORATION CORP.
50 W BROADWAY 8TH FLOOR
SALT LAKE CITY UT 84101-2006

STATE OF UTAH
DEPARTMENT OF COMMERCE
DIVISION OF CORPORATIONS & COMMERCIAL CODE
REGISTRATION

EFFECTIVE DATE: 08/16/2002
EXPIRATION DATE: *RENEWAL
ISSUED TO: SOLARIS EXPLORATION CORP.



REFERENCE NUMBER(S), CLASSIFICATION(S) & DETAIL(S)

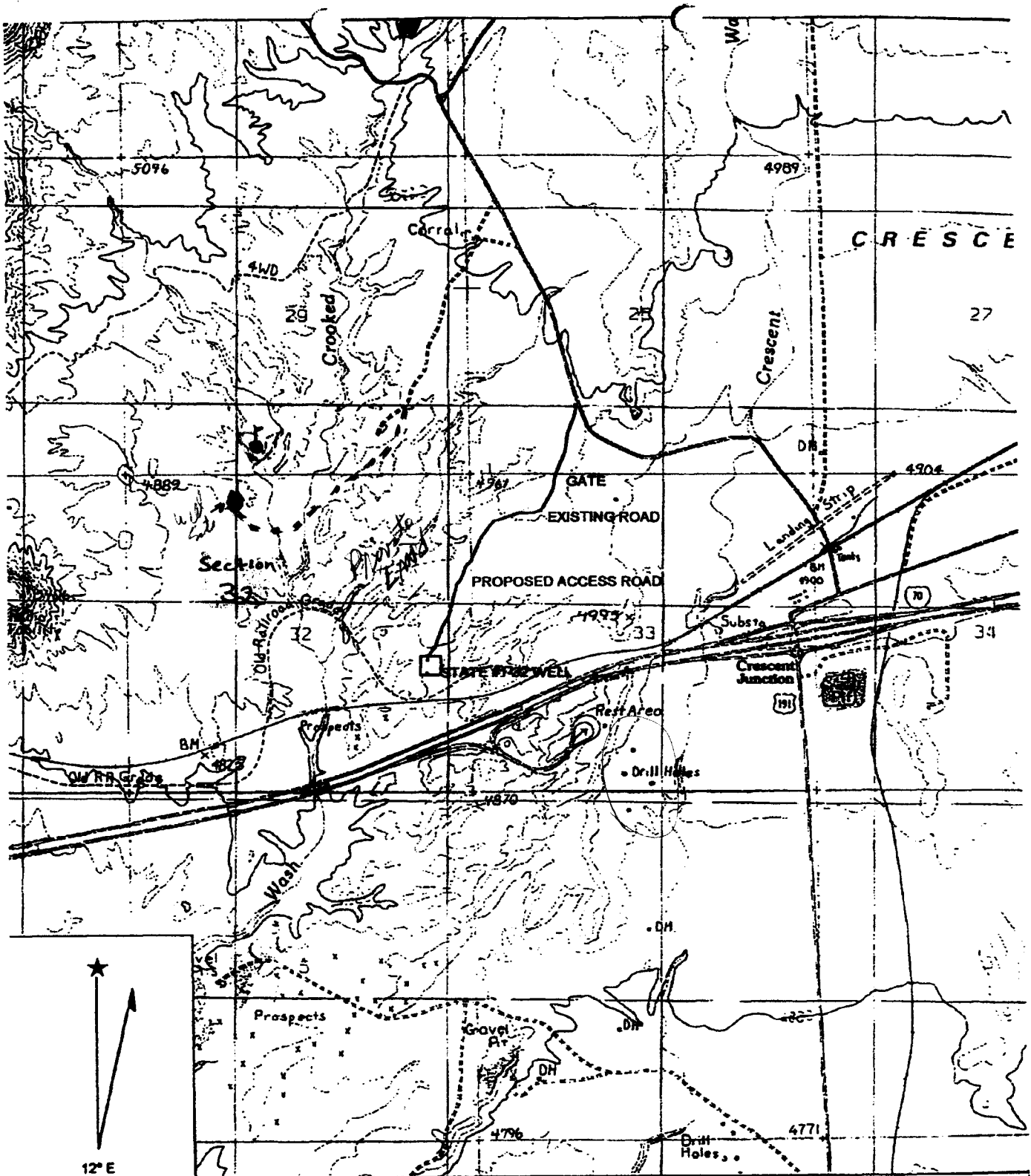
5176200 0143 Corporation - Foreign - Profit

*RENEWAL

You will need to renew your registration each anniversary date of the effective date.

Exceptions: DBAs and Business Trusts renew every three (3) years from the effective date.

EXHIBIT "B"



Name: CRESCENT JUNCTION
 Date: 9/19/2001
 Scale: 1 inch equals 2000 feet

access road

Location: 038° 58' 39.2" N 109° 48' 52.6" W
 Caption: REPUBLIC RESOURCES, INC STATE WELL #1-32 SEC. 32,
 T21S, R19E, SALT LAKE BASE AND MERIDIAN

001

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3

AMENDED REPORT ☐
(highlight changes)

APPLICATION FOR PERMIT TO DRILL				5. MINERAL LEASE NO: ML 47441	6. SURFACE: Fee
1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>				7. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A	
B. TYPE OF WELL: OIL <input checked="" type="checkbox"/> GAS <input type="checkbox"/> OTHER _____ SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>				8. UNIT or CA AGREEMENT NAME: N/A	
2. NAME OF OPERATOR: Solaris Exploration Corp				9. WELL NAME and NUMBER: State #1-32	
3. ADDRESS OF OPERATOR: 16800 Imperial Valley Dr., Ste. 380, Houston, TX CITY STATE ZIP 77060				10. FIELD AND POOL, OR WILDCAT: Wildcat	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 2073' FSL - 649' FEL 4310676 Y 38.94109 AT PROPOSED PRODUCING ZONE: Same 600932 X - 109.83540				11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NE 1/4 SE 1/4 Sec. 32-T21S-R19E SLB&M	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 1.7 miles West of Crescent Junction, Utah				12. COUNTY: Grand	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 649'		16. NUMBER OF ACRES IN LEASE: 480		17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 40	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET)		19. PROPOSED DEPTH: 4800'		20. BOND DESCRIPTION: Surety bond applied for individual lease	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 4896' GL		22. APPROXIMATE DATE WORK WILL START: August 30, 2002		23. ESTIMATED DURATION: 30 days	

24.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT
12 1/4"	8 5/8" J55 34#	450'±	cement to surface w/140±sx 50/50 Poz, Cl. G 1.25 ^{cf} /sk
7 7/8"	5 1/2" J55 15.5#	4800'±	cement to 400' w/875±sx 50/50 Poz, class G 1.25 ^{cf} /sk

25.

ATTACHMENTS

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:

- | | |
|--|--|
| <input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER | <input checked="" type="checkbox"/> COMPLETE DRILLING PLAN |
| <input type="checkbox"/> EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER | <input type="checkbox"/> FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER |

NAME (PLEASE PRINT) Garry L. RoggowTITLE AgentSIGNATURE Garry L. RoggowDATE August 26, 2002

(This space for State use only)

API NUMBER ASSIGNED: 43-019-31394

Approved by the
Utah Division of
Oil, Gas and Mining

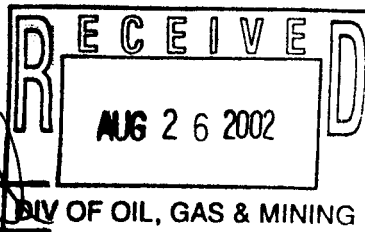
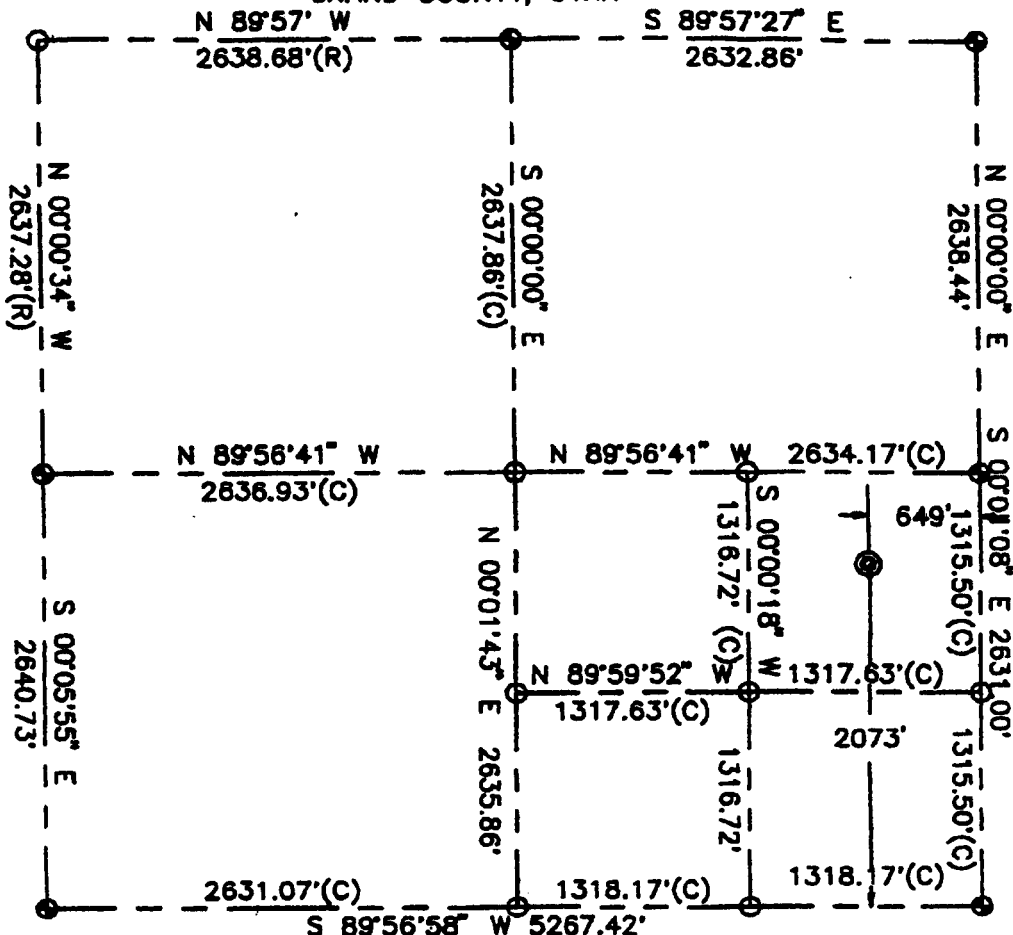
Date: 8-26-02By: [Signature]

EXHIBIT "A"

SECTION 32, T 21 S, R 19 E, SALT LAKE BASE AND MERIDIAN,
GRAND COUNTY, UTAH



LEGEND

- ⊙ 1918 GLO BRASS CAP
- (C) CALCULATED MEASUREMENT
- CALCULATED POSITION

1" = 1000'

NOTES

Bearings and distances between corners shown as calculated positions are taken from 1920 GLO Survey of T.21 S., R.19 E., Salt Lake Base and Meridian. Distances shown between found corners are field measured.

WELL LOCATION

2073' FSL, 649' FEL
NE1/4 SE 1/4, SECTION 32, T.21 S., R.19 E.,
SALT LAKE BASE & MERIDIAN, GRAND CO., UTAH
D.H. = 38°58'27.912" N. LATITUDE
109°50'10.840" W. LONGITUDE

OPERATOR: REPUBLIC RESOURCES, INC.
WELL NAME: STATE #1-32 WELL (CRESENT JUNCTION PROSPECT)
DRILL HOLE ELEVATION: 4895.8'
ELEVATIONS BASED ON NAVD '88

SURVEYOR'S STATEMENT

I, Merritt P. Diamant, a Registered Land Surveyor in the State of Utah do hereby certify that this Survey was made under my supervision and that this plat represents said Survey.

Merritt P. Diamant
Merritt P. Diamant
Utah, P.E. 6769
CERTIFIED: [Signature] DAY OF Sept 2001.

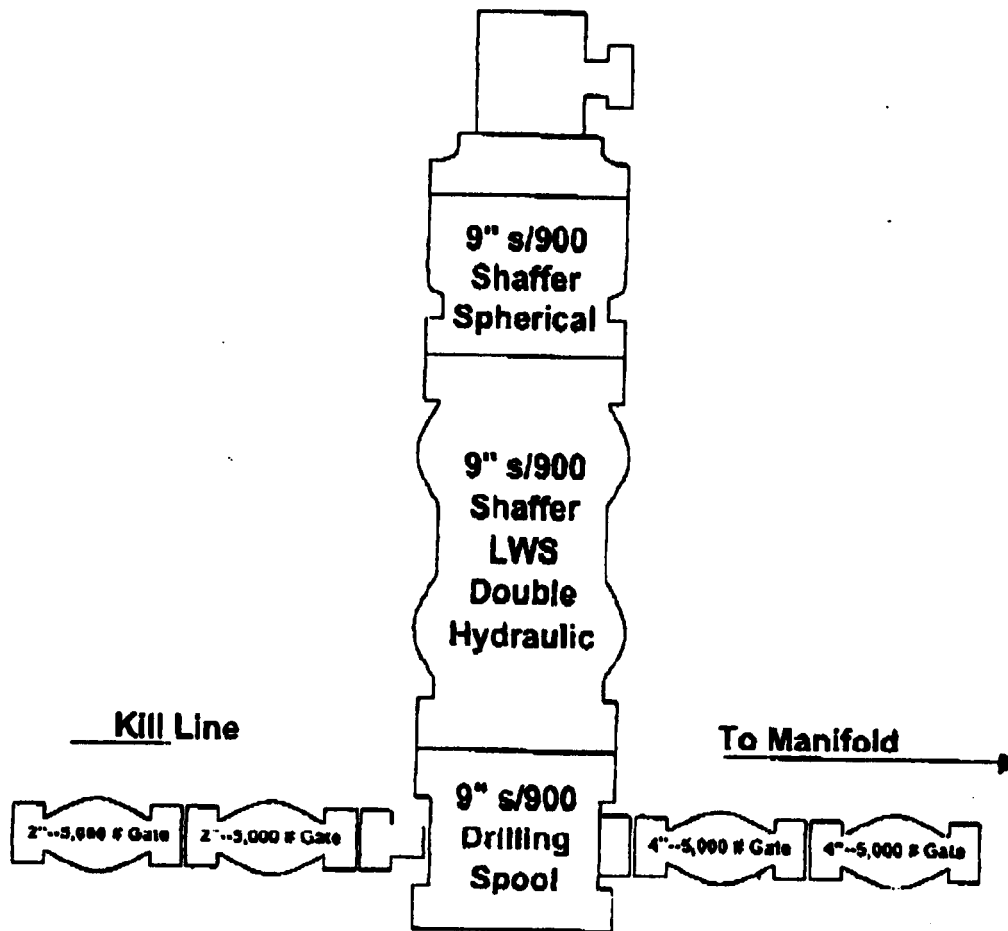
REPUBLIC RESOURCES, INC.
STATE #1-32 WELL
PLAT OF DRILLING LOCATION

SUR. DATE: 9/10/01	DRAWN DATE: 9/12/01
SUR. BY: JF	DRAWN BY: JF
DWG NO. REP-ST-1-32	SCALE 1" = 1000'

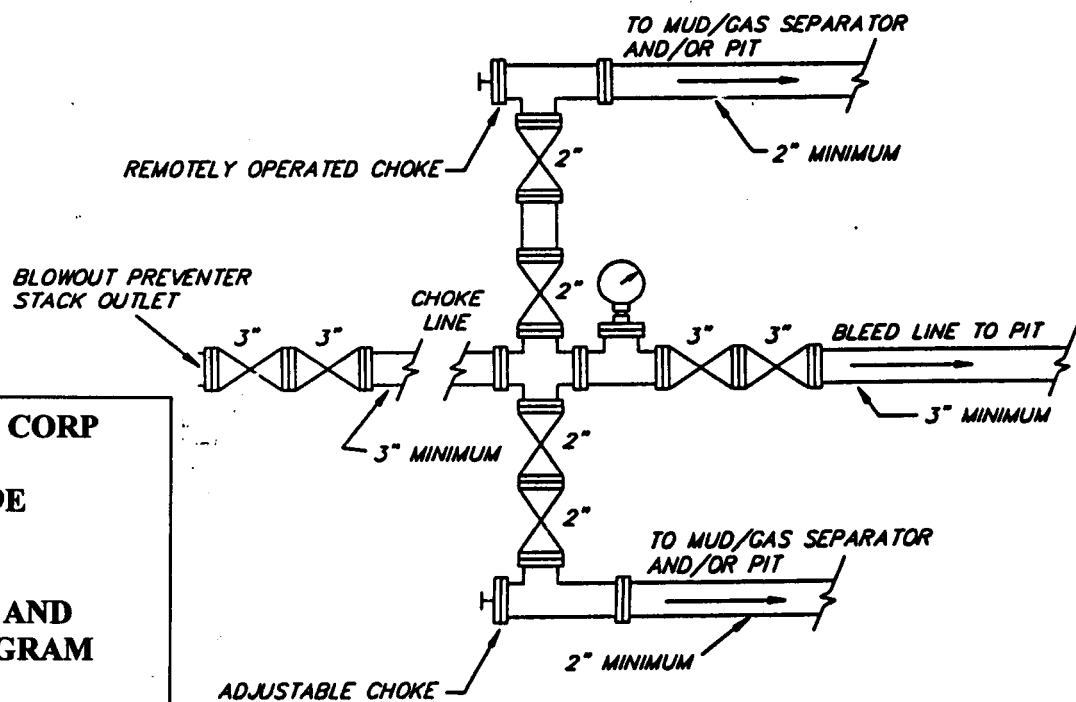
HIGH DESERT SURVEYING, LLC

2591 83/4 Rd., Grand Jct., CO 81503
Tel: 970-254-8849, Fax: 970-241-0771, e-mail: highdesert@webornet.com

Sauer Drilling Company



BOP Diagram



SOLARIS EXPLORATION CORP
State #1-32
NE/4 SE/4 Sec. 32-T21S-R19E
Grand County, Utah

BLOW OUT PREVENTER AND
CHOKE MANIFOLD DIAGRAM

DIVISION OF OIL, GAS AND MINING

APPLICATION FOR PERMIT TO DRILL STATEMENT OF BASIS

OPERATOR: Republic Resources Inc.

WELL NAME & NUMBER: State 1-32

API NUMBER: 43-019-31389

LOCATION: 1/4,1/4 NESE Sec: 32 TWP: 21S RNG: 19E 2073' FSL 649 FEL

Geology/Ground Water:

The location is on a bluff formed on the Blue Gate Member of the Mancos Shale, which is capped by Quaternary Pediment Mantle. There are no nearby springs. A water right was filed by SITLA (formerly SL&F) on a water well, within a mile to the east southeast, near Crescent Junction, Utah, in adjoining Section 33. The water right cites the source as a 16" casing with a productive depth of 1,500' to 2,500.' Research in the files of the Division of Water Rights indicates that it is likely that no water well was ever drilled at this location. When the water right was filed, the federal government challenged it based on the needs of the Central Utah Project and those of the downstream users of the Colorado River. The challenge was subsequently withdrawn. During my research, I examined sample logs from other wells in this township – range as well as the one to the south. The subsurface geology changes very rapidly along the trend of the evaporite-cored Salt Valley Anticline. Water Rights' driller's logs record poor quality water (salty) and petroleum shows in sandstones (and even some shales) surprisingly close to the surface, in some instances, and well within the 1,500' to 2,500' specified in the water right filing. No well completion records exist for any well at the location of the water right. Both the water well filing location and the subject oil and gas location fall reasonably on the plunging anticlinal trend. It is improbable that significant amounts of good quality water will be found in the shallow strata at the subject location. It is unlikely that the Ferron Sandstone Member of the Mancos Shale has enough development to provide a significant aquifer this far to the east. Absent the influences of salt flow tectonics, possible aquifers, which might be encountered uphole, would include the Dakota Sandstone, the Buckhorn Conglomerate Member of the Cedar Mountain Formation and the Salt Wash Member of the Morrison Formation. These are also productive zones in the Greater Cisco Field. In the Thompson, Utah, area, the Dakota Sandstone was drilled at a depth between 1,700' and 1,800' in the midst of more uniform stratigraphy. Because the depth at which aquifer grade sandstones are encountered is unpredictable, protecting the aquifer will require either extending the surface casing considerably from its current proposed setting depth (400') or that high density cement be pumped above a quality water aquifer after production casing is run.

Reviewer: Christopher J. Kierst **Date:** 10/25/01

Surface:

Precipitation will be diverted around the pad with berms and culverts where necessary. There are no nearby culinary or irrigation supply wells. The site was photographed and characterized on 9/11 /2001. The surface owner and SITLA were invited but chose not to attend. Rehabilitation of the site, litter and waste control, preservation and drainage patterns, groundwater and other resources was discussed and agreed on. The location will not fit as it was staked due to topography, therefore the location will be adjusted in on all sides to fit topography. Any well utilities and gathering systems will follow the roadways.

Reviewer: Mark L. Jones **Date:** October 25, 2001

Conditions of Approval/Application for Permit to Drill:

1. The location and pit shall be bermed.
2. Site shall be amended as discussed at the onsite review.
3. A synthetic liner with a minimum thickness of 12 mils shall be properly maintained in the reserve pit.

ON-SITE PREDRILL EVALUATION
Division of Oil, Gas and Mining

OPERATOR: Republic Resources Inc.
WELL NAME & NUMBER: State 1-32
API NUMBER: 43-019-31389
LEASE: State FIELD/UNIT: _____
LOCATION: 1/4, 1/4 NESE Sec: 32 TWP: 21S RNG: 19E 2073' FSL 649' FEL
LEGAL WELL SITING: 460 F SEC. LINE; 460 F 1/4, 1/4 LINE; 920 F ANOTHER WELL.
GPS COORD (UTM): X =600922 E; Y =4310667 N SURFACE OWNER: Irvin M. Shlenker Estate (25%) and F.W. Bert Wheeler Trust (75%).

PARTICIPANTS

M. Jones (DOGM), Ron Turrell (Republic), SITLA and Grand County was invited but chose not to attend. Susan Treece (Republic) invited the surface owners who chose not to attend.

REGIONAL/LOCAL SETTING & TOPOGRAPHY

This location is located ~1 mile West of Crescent Jct, Utah. A rest area off of I-70 is located ~.5 miles SE. Railroad tracks running in an East to West direction ~200 yards South of proposal and I-70 runs in an East to West direction ~.25 miles South of proposal. Rolling hill topography in the direct vicinity of the location with dry washes cutting throughout. The access road terrain is relatively flat and crosses virtually no drainages.

SURFACE USE PLAN

CURRENT SURFACE USE: Wildlife habitat and recreation.

PROPOSED SURFACE DISTURBANCE: Proposed surface disturbance will include a 150' X 200' pad. Included within the proposed pad will be a 80' x 60' x 8' reserve pit. Access will consist of ~1 mile of existing bladed road on BLM surface, ~.7 miles of access along an existing two-track across BLM and private surface, and ~.2 mile of new access on private surface. All of the roads will be upgrades to allow for drilling operations, if the well is a producer further upgrades will be made.

LOCATION OF EXISTING WELLS WITHIN A 1 MILE RADIUS: 6 PA wells are located within a 1 mile radius of the above proposed well.

LOCATION OF PRODUCTION FACILITIES AND PIPELINES: Production facilities and pipelines will be located on-site if the well is a producer.

SOURCE OF CONSTRUCTION MATERIAL: Obtained locally from a private source and hauled to location using existing roads.

ANCILLARY FACILITIES: None anticipated.

WASTE MANAGEMENT PLAN:

Portable chemical toilets, which will be emptied into the municipal waste treatment system; garbage cans on location will be emptied into centralized dumpsters which will eventually be emptied into an approved landfill. Drilling fluid, completion / frac fluid and cuttings will be buried in the pit after evaporation and slashing of the pit liner. Used oil from drilling operations and support will be hauled away to a used

oil recycling tank or facility.

ENVIRONMENTAL PARAMETERS

AFFECTED FLOODPLAINS AND/OR WETLANDS: None.

FLORA/FAUNA: Sagebrush, native grasses, cheat grass, rodents, various small game animals and birds.

SOIL TYPE AND CHARACTERISTICS: sandy gravel.

SURFACE FORMATION & CHARACTERISTICS: Mancos Shale

EROSION/SEDIMENTATION/STABILITY: Moderately stable.

PALEONTOLOGICAL POTENTIAL: None observed.

RESERVE PIT

CHARACTERISTICS: Dugout earthen pit.

LINER REQUIREMENTS (Site Ranking Form attached): Synthetic liner.

SURFACE RESTORATION/RECLAMATION PLAN

As per requests of landowner in landowners surface agreement.

SURFACE AGREEMENT: Yes.

CULTURAL RESOURCES/ARCHAEOLOGY: N/A

OTHER OBSERVATIONS/COMMENTS

Location was not staked and marked very well! Comment was made to the operator of the expectations for staking a well site. The pit was not staked at all. The UTM coordinates and my Magellan GPS were off 10 meters in both directions, (600912 E, 4310677 N - on Magellan GPS). The location will not fit were it was staked due to topography, therefore the location will be adjusted in on all sides to fit topography.

ATTACHMENTS

Photos of this location were taken and placed on file.

Mark L. Jones
DOGM REPRESENTATIVE

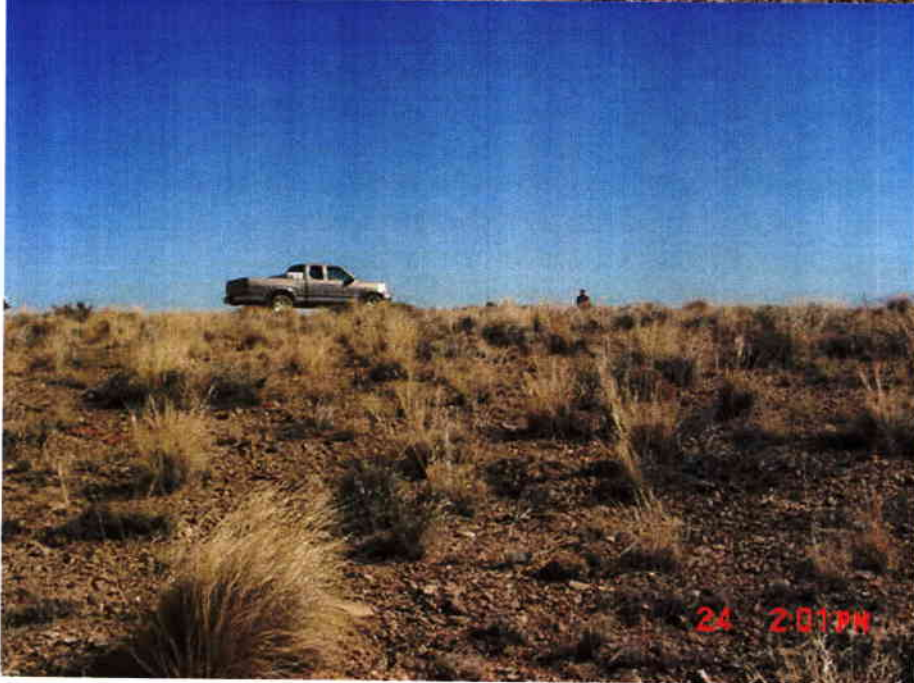
10/24/2001 / 1:45 pm
DATE/TIME

**Evaluation Ranking Criteria and Ranking Score
For Reserve and Onsite Pit Liner Requirements**

<u>Site-Specific Factors</u>	<u>Ranking</u>	<u>Site Ranking</u>
Distance to Groundwater (feet)		
>200	0	
100 to 200	5	
75 to 100	10	
25 to 75	15	
<25 or recharge area	20	<u>0</u>
Distance to Surf. Water (feet)		
>1000	0	
300 to 1000	2	
200 to 300	10	
100 to 200	15	
< 100	20	<u>0</u>
Distance to Nearest Municipal Well (feet)		
>5280	0	
1320 to 5280	5	
500 to 1320	10	
<500	20	<u>0</u>
Distance to Other Wells (feet)		
>1320	0	
300 to 1320	10	
<300	20	<u>0</u>
Native Soil Type		
Low permeability	0	
Mod. permeability	10	
High permeability	20	<u>20</u>
Fluid Type		
Air/mist	0	
Fresh Water	5	
TDS >5000 and <10000	10	
TDS >10000 or Oil Base Mud Fluid	15	
containing significant levels of hazardous constituents	20	<u>5</u>
Drill Cuttings		
Normal Rock	0	
Salt or detrimental	10	<u>0</u>
Annual Precipitation (inches)		
<10	0	
10 to 20	5	
>20	10	<u>0</u>
Affected Populations		
<10	0	
10 to 30	6	
30 to 50	8	
>50	10	<u>0</u>
Presence of Nearby Utility Conduits		
Not Present	0	
Unknown	10	
Present	15	<u>0</u>

Final Score 25 (Level I Sensitivity)

Sensitivity Level I = 20 or more; total containment is required.
Sensitivity Level II = 15-19; lining is discretionary.
Sensitivity Level III = below 15; no specific lining is required.









2002 9 4



2002 9 4



005

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 08/26/2002

API NO. ASSIGNED: 43-019-31394

WELL NAME: STATE 1-32

OPERATOR: SOLARIS EXPLORATION (N2230)

CONTACT: GARY ROGGOW

PHONE NUMBER: 281-931-8933

PROPOSED LOCATION:

NESE 32 210S 190E

SURFACE: 2073 FSL 0649 FEL

BOTTOM: 2073 FSL 0649 FEL

GRAND

WILDCAT (1)

LEASE TYPE: 3 - State

LEASE NUMBER:

SURFACE OWNER: 4 - Fee

PROPOSED FORMATION: NAVA

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering	DKD	9/4/2002
Geology		
Surface		

LATITUDE: 38.94109

LONGITUDE: 109.83540

RECEIVED AND/OR REVIEWED:

- ☒ Plat
- ☒ Bond: Fed[] Ind[] Sta[3] Fee[]
(No. 2014095137 ^{well 11} Fargo)
- ☒ Potash (Y/N)
- ☒ Oil Shale 190-5 (B) or 190-3 or 190-13
- ☒ Water Permit
(No. T27029)
- ☐ RDCC Review (Y/N)
(Date: 09/10/2002 *pending statement on permit*)
- ☒ Fee Surf Agreement (Y/N)

LOCATION AND SITING:

___ R649-2-3.

Unit _____

☒ R649-3-2. GeneralSiting: 460 From Qtr/Qtr & 920' Between Wells

___ R649-3-3. Exception

___ Drilling Unit

Board Cause No: _____

Eff Date: _____

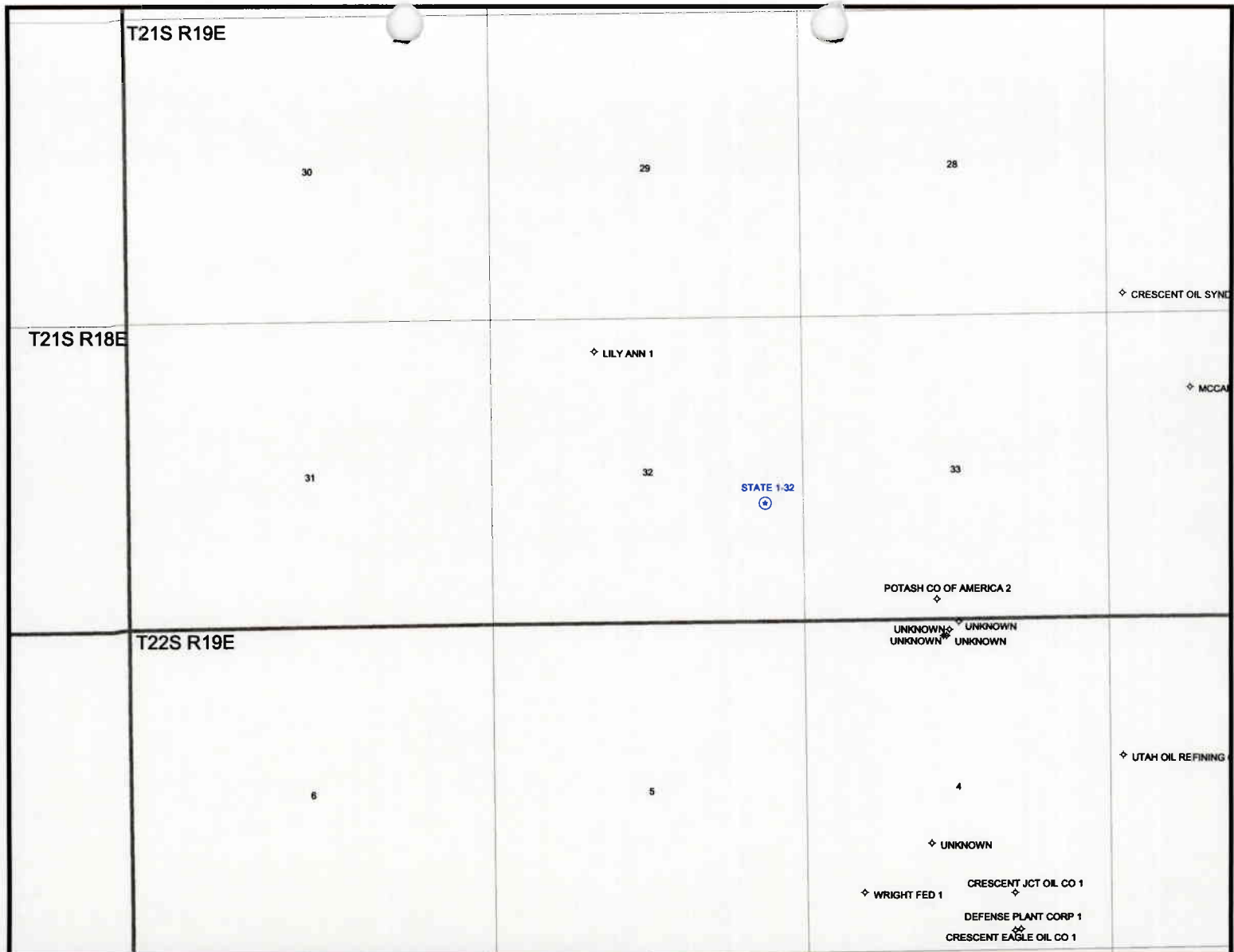
Siting: _____

___ R649-3-11. Directional Drill

COMMENTS: Need Permit (Red)

STIPULATIONS:

① Surface Casing Cement Slip② REPUBLIC RESOURCES STATEMENT OF BASIS③ SOLARIS STATEMENT OF BASIS



OPERATOR: SOLARIS EXPL (N2230)

SEC: 32 T21S R19E

FIELD: WILDCAT (001)

COUNTY: GRAND SPACIING: 649-3-2



Utah Oil Gas and Mining

Well Status

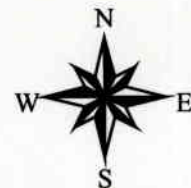
- GAS INJECTION
- GAS STORAGE
- LOCATION ABANDONED
- NEW LOCATION
- PLUGGED & ABANDONED
- PRODUCING GAS
- PRODUCING OIL
- SHUT-IN GAS
- SHUT-IN OIL
- TEMP. ABANDONED
- TEST WELL
- WATER INJECTION
- WATER SUPPLY
- WATER DISPOSAL

Units Status

- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

Field Status

- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED
- Sections.shp
- Township.shp
- Counties.shp



Prepared By: D. Mason
Date: 26-AUGUST-2002

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3

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(highlight changes)

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8. TYPE OF WELL: OIL <input checked="" type="checkbox"/> GAS <input type="checkbox"/> OTHER _____ SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		8. UNIT or CA AGREEMENT NAME: N/A	
2. NAME OF OPERATOR: Solaris Exploration Corp		9. WELL NAME and NUMBER: State #1-32	
3. ADDRESS OF OPERATOR: 16800 Imperial Valley Dr., Ste. 380, Houston, TX <div style="display: flex; justify-content: space-between; font-size: small;"> CITY STATE ZIP </div> 77060		PHONE NUMBER: 281-931-8933	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 2073' FSL - 649' FEL AT PROPOSED PRODUCING ZONE: Same		10. FIELD AND POOL, OR WILDCAT: Wildcat	
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21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 4896' GL	22. APPROXIMATE DATE WORK WILL START: August 30, 2002	23. ESTIMATED DURATION: 30 days	

24. PROPOSED CASING AND CEMENTING PROGRAM			
SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT
12 1/4"	8 5/8" J55 34#	450'±	cement to surface w/140± sx 50/50 Poz, Cl. G
7 7/8"	5 1/2" J55 15.5#	4800'±	cement to 400' w/875±sx 50/50 Poz, class G

25. **ATTACHMENTS**

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:

<input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER	<input checked="" type="checkbox"/> COMPLETE DRILLING PLAN
<input type="checkbox"/> EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER	<input type="checkbox"/> FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER

NAME (PLEASE PRINT) Garry L. Roggow TITLE Agent

SIGNATURE *Garry L. Roggow* DATE August 26, 2002

(This space for State use only)

API NUMBER ASSIGNED: 43-019-31394

APPROVAL:

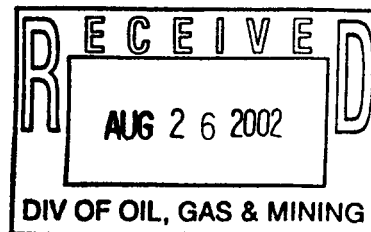
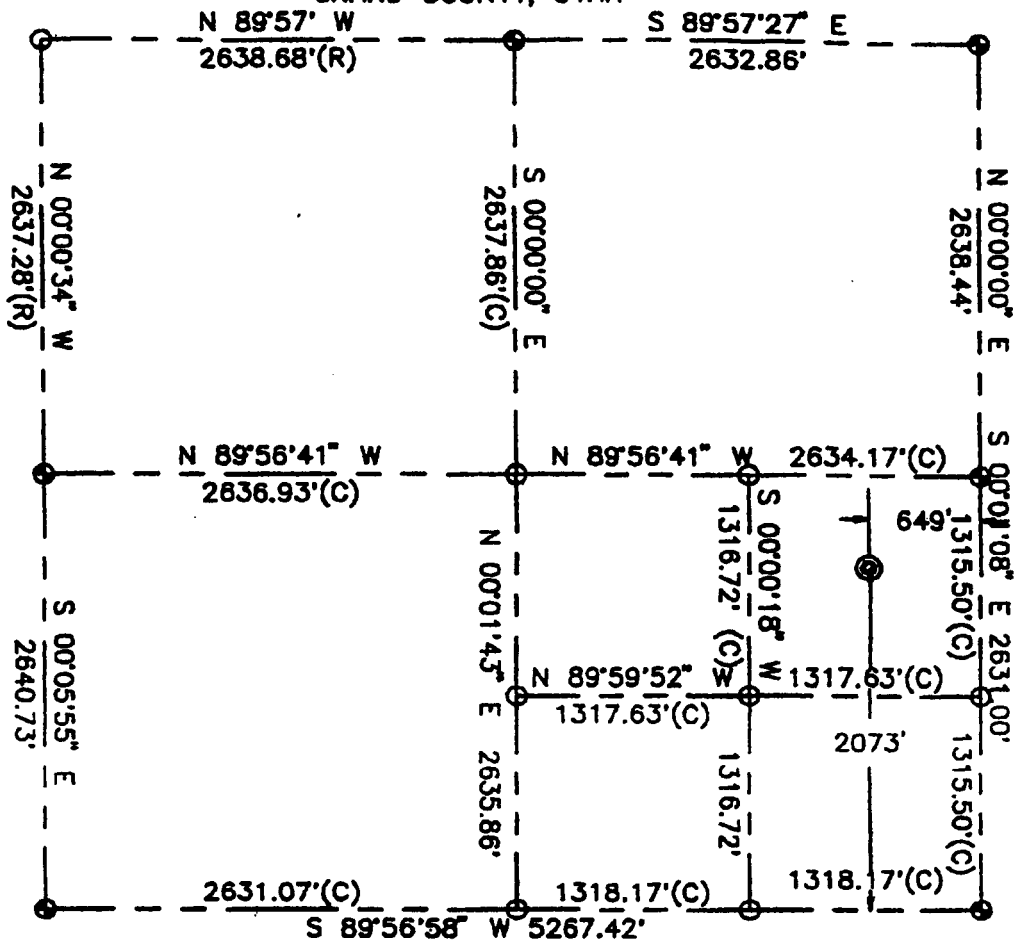


EXHIBIT "A"

SECTION 32, T 21 S, R 19 E, SALT LAKE BASE AND MERIDIAN,
GRAND COUNTY, UTAH



LEGEND

- ⊙ 1919 GLO BRASS CAP
- (C) CALCULATED MEASUREMENT
- CALCULATED POSITION

1" = 1000'

NOTES

Bearings and distances between corners shown as calculated positions are taken from 1920 GLO Survey of T.21 S., R.19 E., Salt Lake Base and Meridian. Distances shown between found corners are field measured.

WELL LOCATION

2073' FSL, 649' FEL
NE1/4 SE 1/4, SECTION 32, T.21 S., R.19 E.,
SALT LAKE BASE & MERIDIAN, GRAND CO., UTAH
D.H. = 38°56'27.912" N. LATITUDE
109°50'10.840" W. LONGITUDE

OPERATOR: REPUBLIC RESOURCES, INC.
WELL NAME: STATE #1-32 WELL (CRESENT JUNCTION PROSPECT)
DRILL HOLE ELEVATION: 4895.8'
ELEVATIONS BASED ON NAVD '88

SURVEYOR'S STATEMENT

I, Merritt P. Diamant, a Registered Land Surveyor in the State of Utah do hereby certify that this Survey was made under my supervision and checking, and that this plat represents said Survey.

NO. 6789
Merritt P. Diamant
Utah PLS 6789
CERTIFIED: HSP 8/10/01 DAY OF Sept 2001.

REPUBLIC RESOURCES, INC.
STATE #1-32 WELL
PLAT OF DRILLING LOCATION

HIGH DESERT SURVEYING, LLC

2591 B3/4 Rd., Grand Jct., CO 81503

Tel: 970-254-8848, Fax: 970-241-0771, e-mail: highdesert@webonline.com

SUR. DATE: 9/10/01	DRAWN DATE: 9/12/01
SUR. BY: JF	DRAWN BY: JF
DWG NO. REP-ST-1-32	SCALE 1" = 1000'

DESIGNATION OF OPERATOR

The undersigned is, on the records of the School and Institutional Trust Lands Administration, holder of lease, ML 47441:

and hereby designates

NAME: **SOLARIS EXPLORATION, INC.**
16800 Imperial Valley, Suite 380
ADDRESS: **Houston, Texas 77060**

as his operator and local agent, with full authority to act in his behalf in complying with the terms of the lease and regulations applicable thereto and on whom the Director of the Administration or his representative may serve written or oral instructions in securing compliance with the Rules and Regulations Governing the Issuance of Mineral Leases with respect to (describe acreage to which this designation is applicable):

Township 21 South, Range 19 East
Section 32: SE/4
Gand County, Utah


Operator agrees to comply with all lease provisions, statutes, rules, and regulations, whether federal, state, or local, in its operations on the subject lease.

It is understood that this designation of operator does not relieve the lessee of responsibility for compliance with the terms of the lease and the Rules and Regulations. It is also understood that this designation of operator does not constitute an assignment of any interest in the lease.

In case of default on the part of the designated operator, the lessee will make full and prompt compliance with all regulations, lease terms, or orders of the Director, Trust Lands Administration or his representative.

The lessee agrees promptly to notify the Trust Lands Administration of any change in the designated operator.

ROCKSOURCE ENERGY CORPORATION


Thomas A. Collins, President (Lessee)
Box 691847, Houston, TX 77269-1847

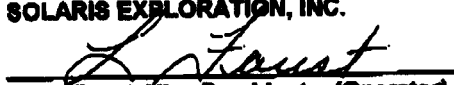
Aug 26, 2002 Date

TIDEWATER OIL & GAS COMPANY, LLC


James S. Jones, Manager (Lessee)
11644 Elk Head Range Road, Littleton, CO 80127

Aug 19, 2002 Date

SOLARIS EXPLORATION, INC.


Lynn Faust, Vice President (Operator)
16800 Imperial Valley, Suite 380
Houston, TX 77060

Aug 26, 2002 Date

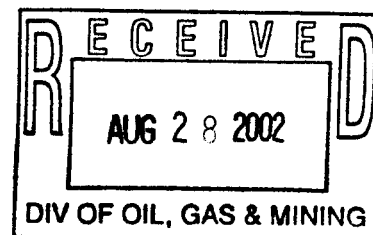
**G R Consulting
P.O. Box 338
Mills, Wyoming 82644
Phone/Fax 307-237-3055
Cell phone 307- 267-0495**

August 28, 2002

State of Utah
Department of Natural Resources
Division of Oil, Gas & Mining
1594 W. North Temple, Suite 1210
Salt Lake City, Utah 84114-5801

Attention: Diana Mason
Petroleum Technician

Re: Solaris Exploration Corp
State #1-32
NE/4 SE/4 Sec. 32-T21S-R19E
Grand County, Utah
Water Rights approval t27029



Dear Ms. Mason:

Please find attached the a copy of the Utah Division of Water Right letter dated August 28, 2002, approving the Temporary Change Application for drilling water source for the referenced well. The Temporary Change Application 01-1130 approval number is t27029.

If further information or assistance is required please contact me at the above address or phone numbers..

Sincerely,

Garry L. Roggow, Agent
For Solaris Exploration Corp

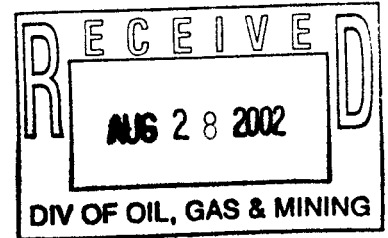
w/f
dc: L.Faust - SEC



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF WATER RIGHTS

Michael O. Leavitt
Governor
Kathleen Clarke
Executive Director
Robert L. Morgan
State Engineer

Southeastern Area
453 South Carbon Avenue
PO Box 718
Price, Utah 84501-0718
435-637-1303
435-637-7937 (Fax)



August 27, 2002

State of Utah
School & Institutional Trust Lands Administration
675 East 500 South Suite 500
Salt Lake City, Utah 84102

Re: Temporary Change Application 01-1130 (t27029)
Expiration Date: December 31, 2002

Dear Applicant:

The above referenced Temporary Change Application is hereby approved. A copy is enclosed for your information and records.

If you have any questions, please feel free to contact me.

Sincerely,

FOR
Mark P. Page
Regional Engineer

pc: Garry L. Roggow - GR Consulting
P.O. Box 338
Mills, Wyoming 82644

Enclosures
MPP/mjk

SOLARIS EXPLORATION CORP
Drilling Plan
State #1-32
NE/4 SE/4 Sec. 32-T21S-R19E
Grand County, Utah
ML 47441

ESTIMATED GEOLOGICAL TOPS

Dakota	2,300'	Possible oil/gas
Lakota	2,400'	Possible oil/gas
Morrison	2,560'	Possible gas
Moab Tongue	3,500'	Possible oil
Entrada	3,700'	Possible oil
Navajo	4,200'	Possible oil
Wingate	4,750'	Possible oil

If casing is run in this well the noted zones will be protected with cement from TD to the surface.

BOP EQUIPMENT

9" X 3000 PSI S/900 SHAFFER SPHERICAL with 9" S/900 LWS DOUBLE HYDRAULIC (See diagram)

BOP Equipment and the 8 5/8" casing will be pressure tested to rated pressures prior to drilling out of the 8 5/8" surface casing. BOP rams will be function tested on trips and the stack will be pressure tested every 30 days if necessary.

CASING PROGRAM

SURFACE CASING:

8 5/8", 34#, J-55, ST&C, R-3 new casing
 with guide shoe, float collar and 4 centralizers,
 cemented to the surface with 50/50 Poz cement 1.25 cf / sk

PRODUCTION CASING

5 1/2", 15.5#, J-55, LT &C, R-3 new casing
 with guide shoe, float collar and 15 centralizers

The production casing will be cemented from TD back to 400'
 with sufficient tail slurry at 14.5 #/gal to bring cement to 3,000' 1.25 cf / sk
 and lead slurry at 12.6#/gal calculated to bring cement to 400'.

DRILLING FLUID PROGRAM

0 - 450' Air, Air mud

450' – 3,000' Air, Air mud

3,000' – TD Aerated fresh water containing Sal-Tex with high
viscosity sweeps for hole cleaning.

TD Add fresh water gel for 8.8 – 8.9ppg, 38-40 sec. mud for logging.

TESTING, CORING, LOGGING

DST Navajo ss if sufficient show

Mud logger will be installed 2,000' – TD.

Open hole logs:

Porosity, GR, Caliper TD - base of surface casing

Resistivity log TD – base of surface casing

ANTICIPATED PRESSURES

Encountered pressures are expected to “normal” - .433 psi/ft.

No abnormal pressures are expected.

There is no known H₂S in the area.

RECEIVED

Adam's Mark Hotels & Resorts

Guest Fax Transmittal Cover Sheet

AUG 29 2002

DIVISION OF
OIL, GAS AND MINING

To: Dianna Mason Time: _____ Date: _____
 Name: _____ Fax# (801) 359-3940
 Company: Division Oil, Gas and MINING Phone# _____
 Room# _____ Country: _____

From: James Jones Time: _____ Date: _____
 Name: Tidewater Oil & Gas Fax# (303) 932-1292
 Company: _____ Phone# (303) 932-1181
 Room# _____ Country: _____

Special Instructions: The attached surface use documents as well as the government form Republic to Solano Exploration is being sent to you at John Began request
 Total Pages (including this cover sheet): _____
 (Customer not charged for this cover sheet)

This is a schedule of Adam's Mark Hotels & Resorts Prices and should NOT be used as an invoice.

Adam's Mark Hotel Charges for Reception & Transmission	Guests	Non-Guests
Per Page, to send first 3 pages	\$3.00 per page	\$3.00 per page
Per page, to send pages over 3	\$2.00 per page	\$2.00 per page
Per Page, to receive first 5 pages	No Charge	\$1.00 per page
Per Page, to receive any pages over 5	\$0.50 per page	\$1.00 per page
International Faxes	Add \$1.00 per page	Add \$1.00 per page

Method of Payment: ☐ Cash ☐ Room Charge ☐ Master ☐ Credit Card

Liability Limitations - Adam's Mark Hotels does not guarantee or in any way represent or warrant the information transmitted or received. The Customer acknowledges and agrees that the service provided by Adam's Mark Hotel consists solely of providing Facsimile Transceiver Equipment and that Adam's Mark Hotel is not in any way responsible or liable for errors, omissions, inaccuracy, delays or interruptions in the information transmitted or received or for any damages resulting therefrom whether or not Adam's Mark Hotel or the Equipment, the Customer shall be entitled only to a refund of the cost of the transaction. The refund shall be in lieu of any other damages or remedies against Adam's Mark Hotel.

I agree to pay the rates listed above for fax documents at this Adam's Mark location and accept the liability limitations as described above:
 Guest Signature: _____ Date: _____

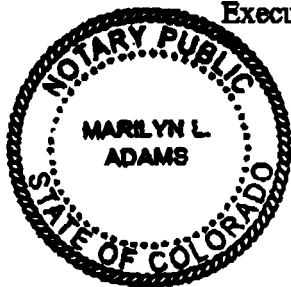
ASSIGNMENT

For and in consideration of the sum of Ten Dollars (\$10.00) and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Republic Resources, Inc., 743 Horizon Court, Suite 333, Grand Junction, CO 81506, does hereby assign unto Solaris Exploration, Inc., 6800 Imperial Valley, Suite 380, Houston, TX 77060 all of its rights and obligations in the following:

1. That certain BLM Right-of-Way UTU-79427 (UT-062) located in the SE/4SW/4 of Section 28, Township 21 South, Range 19 East, SLM, Grand County, Utah;
2. That certain State of Utah Right of Entry No. 4446 within Section 33, Township 21 South, Range 19 East SLB&M, Grand County, Utah;
3. That certain Surface Use Agreement dated September 27, 2001, between Gay Shlenker Block, Executrix of the Estate of Irvin M. Shlenker, and Republic Resources, Inc. covering the NE/4SE/4 of Section 32, Township 21 South, Range 19 East SLM, Grand County, Utah; and
4. That certain Surface Use Agreement dated October 22, 2001, between Mae Dean Wheeler, Trustee of both the F. W. Bert Wheeler Trust and the Mae Dean Wheeler Trust and Republic Resources, Inc. covering the NE/4SE/4 of Section 32, Township 21 South, Range 19 East SLM, Grand County, Utah.

Solaris Exploration, Inc., by the execution hereof, agrees to assume all of the obligations of Republic Resources, Inc. under the above-described documents and agreements and agrees to indemnify and hold harmless Republic Resources, Inc. from all loss, cost, liability and expense arising out of, in connection with, or resulting from Solaris Exploration, Inc.'s ownership derived by this assignment or by its operations upon the lands described in each of the above documents.

Executed this 28th day of August, 2002.

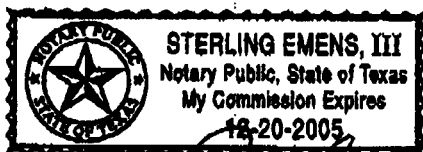


Marilyn L. Adams
My Commission Expires August 22, 2004

REPUBLIC RESOURCES, INC.

By: *Patrick J. Duncan*
Patrick J. Duncan, President

Executed this 27th day of August, 2002.



Sterling Emens, III
8/27/02

SOLARIS EXPLORATION, INC.

By: *L. Faust*
Title: *Vice Pres.*

SURFACE USE AGREEMENT

THIS AGREEMENT is entered into this 27th day of September, 2001, by and between Gay Shlenker Block, Executrix of the Estate of Irvin M. Shlenker ("Surface Owner"), 1530 Bishop's Lodge Road, Santa Fe, NM 87501, and REPUBLIC RESOURCES, INC. ("Republic"), 743 Horizon Court, Suite 333, Grand Junction, CO 81506-8715.

Republic plans to drill and complete or plug and abandon a well in the NE/4SE/4 of Section 32, Township 21 South, Range 19 East SLM, Grand County, Utah and the Surface Owner owns Twenty-Five Percent (25%) of the surface of all of Section 32 ("Property"). Republic and Surface Owner have agreed to the settlement of surface damages in the amount of One Thousand Five Hundred Gross Dollars (\$1,500.00), being Three Hundred Seventy-Five Net Dollars (\$375.00) and in consideration of such payment and in consideration of the obligations set forth herein, Republic and Surface Owner agree as follows:

1. Said payment constitutes the full and entire consideration to be paid Surface Owner by Republic for the use of its partial ownership of the surface and all damages (except as provided in paragraph 2 hereof) to the land associated with the drilling, testing, completion, recompletion, reworking, re-entry, pumping, operations and maintenance of the drillsite located on the Property. The payment is for all damages to the Property, including, but not limited to, damages to growing crops, if any, removal, transportation and care of livestock, if any, construction of access roads, preparation and use of the drillsite area, preparation and use of reserve pits, and construction, installation and maintenance of production equipment and facilities such as flowlines, gas pipelines, separators, tank batteries and other equipment or facilities necessary or convenient to the production, transportation and sale of oil, gas and other materials produced by or used for production of oil and/or gas from the Property. With respect to the construction, access roads, preparation and use of the drillsite area, preparation and use of reserve pits, and construction, installation and maintenance of production equipment and facilities such as flowlines, gas pipelines, separators, tank batteries and other equipment or facilities necessary or convenient to the production, transportation and sale of oil, gas and other materials produced by or used for production of the well, Republic may exercise the rights granted in this Agreement at any time and from time to time without further additional consideration being payable to Surface Owner.
2. If, by reason of Republic's operations, there is damage to personal property located on the Property, or if there is damage to the Property caused by the negligence of Republic or an unreasonable use of the Property by Republic that is not associated with reasonable and normal drilling, testing, completion, recompletion, reworking, re-entry, pumping, production and maintenance operations, such as damage to structures, fences, culverts and cement ditches, such damage shall be repaired or replaced by Republic or Republic shall promptly pay Surface Owner for such damage.
3. As between Surface Owner and Republic, Surface Owner shall have no liability for

the release or discharge by Republic, its contractors or agents, of oil, gas or any other substance on or under the property, except as any such release or discharge is caused in whole or in part by Surface Owner, Surface Owner's tenant, licensees, invitees, or agents, and Republic will indemnify and hold Surface Owner harmless from and against all costs and expenses (including reasonable attorney's fees) for any such release or discharge by Republic.

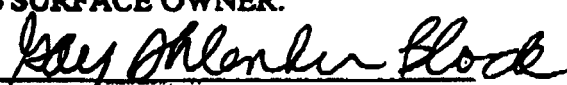
4. Republic agrees to restore the surface of the land in accordance with the minimum well site restoration requirements established by the Utah Division of Oil, Gas & Mining.
5. This Agreement constitutes written consent of Surface Owner for Republic to proceed with the drilling, testing, completion, recompletion, reworking, re-entry, pumping, operation and maintenance of the above-described drillsite on the Property.
6. Except as provided in paragraph 2 hereof, Surface Owner, for itself, and its successors and assigns, does hereby release, relinquish and discharge Republic, its successors and assigns, from all claims, demands, damages and causes of action, past, present and future, that Surface Owner may have by reason of the occupancy of the Property and for the drilling of the well and all other damage or injury to the Property caused by the drilling, completion, recompletion, reworking, re-entry, pumping, operation and maintenance of the well and Surface Owner accepts the above payment as full compensation for its interest therefor.
7. Surface Owner agrees to provide a copy of this Agreement to any potential successor or assign of Surface Owner prior to the closing of any sale of all or any portion of the Property.
8. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto.

Agreed to and accepted the day and year first above written.

REPUBLIC RESOURCES, INC.

By: 
Patrick J. Duncan, President

25% SURFACE OWNER:

By: 
Gay Shlenker Block, Executrix of
the Estate of Irvin M. Shlenker
SS# or Tax I.D. No. 74-1902992

TELEPHONE LINE RIGHT-OF-WAY EASEMENT

KNOW ALL MEN BY THESE PRESENTS, that I the undersigned, Grantor

SHLENKER ESTATE for a good and valuable consideration, the receipt of which is hereby acknowledge, hereby grant unto EMERY TELEPHONE a cooperative corporation, hereinafter called the 'Cooperative', Grantee, whose principal place of business and post office address is Orangeville, Utah, and to its successors or assigns, the right to enter upon the land of the undersigned, situated in the County Of Grand, State of Utah, and more particularly described as follows: A tract of land approximately acres in area, located 1 miles in a SW direction from the town of Crescent Junction Township 21 S Range 19 East Section 32 of the Salt Lake Meridian, and further described as follows:

Began SE-4 SE-4 SW-4, SE-5 SE-4, Section 32 - With a 8 ft Right of way North of D.O.T.
Right of Way fence. Approximately 3480 ft in Section 32,

to construct, reconstruct, operate and maintain on or under the above described lands, and-or in, upon or under all streets, roads or highways abutting said lands, a telephone line or system, to cut and trim trees and shrubbery that may interfere with or threaten to endanger the operation and maintenance of said line or system.

The undersigned agree that all poles, wire and other facilities, including all telephone equipment, installed on the above described premises at the Cooperatives expense shall remain the property of the Cooperative, removable at the option of the Cooperative.

The undersigned covenant that they are the owners of the above described lands.

Gay O. Bloch Gay Bloch
GAY SHLENKER BLOCK, INDEP. BAYCUTOR

STATE OF UTAH) SS:
COUNTY OF EMERY)

W. H. C.
W. H. C.

RENEE A. FORD
NOTARY PUBLIC, STATE OF UTAH
EX. 0000000
COMMISSION EXPIRES AUGUST 21, 2000

Personally appeared before me this 14 day of Jul 1997 My commission expires: _____

(Notary Public) Charles P. Mendenhall

Residence: _____, Utah



E 441838 0506 P 251
Date 14-JUL-1997 12:57pm
Fee: 10.00 Check
MERLENE MOSHER, Recorder
Filed By MM
FOR EMERY TELEPHONE
GRAND COUNTY CORPORATION

R. H. Mendenhall


4-19-17

SURFACE USE AGREEMENT

THIS AGREEMENT is entered into this 22nd day of October, 2001, by and between Mae Dean Wheeler, Trustee of both the F. W. Bert Wheeler Trust and the Mae Dean Wheeler Trust ("75% Surface Owner"), 1919 Whitney Street, Suite 100, Houston, TX 77006, and REPUBLIC RESOURCES, INC. ("Republic"), 743 Horizon Court, Suite 333, Grand Junction, CO 81506-8715.

Republic plans to drill and complete or plug and abandon the State #1-32 well ("Well") in the NE/4SE/4 of Section 32, Township 21 South, Range 19 East SLM, Grand County, Utah ("Property"); 75% Surface owner owns an undivided 75% share of the surface of the Property. Republic and 75% Surface Owner have agreed to the settlement of surface damages in the amount of One Thousand One Hundred Twenty-Five Dollars (\$1,125.00) and in consideration of such payment and in consideration of the obligations set forth herein, Republic and 75% Surface Owner agree as follows:

1. Said payment constitutes the full and entire consideration to be paid 75% Surface Owner by Republic for the use of the surface and all damages (except as provided in paragraph 2 hereof) to the Property associated with the drilling, testing, completion, recompletion, reworking, re-entry, pumping, operations and maintenance of the drillsite located on the Property, including, but not limited to, damages to growing crops, if any, removal, transportation and care of livestock, if any, construction of access roads, preparation and use of the drillsite area, preparation and use of reserve pits, and construction, installation and maintenance of production equipment and facilities such as flowlines, gas pipelines, separators, tank batteries and other equipment or facilities necessary or convenient to the production, transportation and sale of oil, gas and other materials produced by or used for production of oil and/or gas from the Well. With respect to the construction, access roads, preparation and use of the drillsite area, preparation and use of reserve pits, and construction, installation and maintenance of production equipment and facilities such as flowlines, gas pipelines, separators, tank batteries and other equipment or facilities necessary or convenient to the production, transportation and sale of oil, gas and other materials produced by or used for production of the Well, Republic may exercise the rights granted in this Agreement without further additional consideration being payable to 75% Surface Owner. The "drillsite" or "drillsite area" is depicted on the plat attached as Exhibit "A" and the access road to the drillsite is shown on the attached Exhibit "B". At such time as Republic determines a need for flowlines and gas pipelines that cannot be laid along the access road as depicted on Exhibit "B", the parties will enter into a mutually acceptable agreement as to the location of such flowlines and gas pipelines and the consideration to be paid for any additional use of the surface not described herein.
2. If, by reason of Republic's operations, there is damage to personal property located on the Property, or if there is damage to the Property caused by the negligence of Republic or an unreasonable use of the Property by Republic that is not associated with reasonable and normal drilling, testing, completion, recompletion, reworking, re-entry, pumping, production and maintenance operations, such as damage to structures, fences, culverts and cement ditches, such damage shall be repaired or replaced by Republic or Republic shall promptly pay 75% Surface Owner for such damage.
3. As between 75% Surface Owner and Republic, 75% Surface Owner shall have no liability for the release or discharge by Republic, its contractors or agents, of oil, gas or any other substance on or under the Property, except as any such release or discharge is caused in whole or in part by 75% Surface Owner, 75% Surface Owner's tenant, licensees, invitees, or agents, and Republic will indemnify and hold 75% Surface Owner harmless from and against all costs and expenses (including reasonable attorney's fees) for any such release or discharge by Republic.
4. Republic agrees to restore the surface of the land as close to the pre-disturbed topography and surface condition as possible but not less than the minimum well site restoration requirements established by the Utah Division of Oil, Gas & Mining.

5. This Agreement constitutes written consent of 75% Surface Owner for Republic to proceed with the drilling, testing, completion, recompletion, reworking, re-entry, pumping, operation and maintenance of the well on the Property.
6. Upon completion of a producing well, Republic agrees to furnish 75% Surface Owner with a formal written release as to the surface usage covered by this Agreement with the exception of:
- a. One service road to be used by Republic as the only means of ingress and egress to the drillsite area.
 - b. The immediate acreage around the Well, large enough in size to provide ample space for storage tanks and other production facilities, and also large enough for vehicle turnaround and other required use to properly maintain and operate the Well in accordance with the rules and regulations of the Utah Division of Oil, Gas & Mining.
7. ~~Except as provided in paragraph 3 hereof, Surface Owner, for itself, and its successors and assigns, does hereby release, relinquish and discharge Republic, its successors and assigns, from all claims, demands, damages and causes of action, past, present and future, that Surface Owner may have by reason of the occupancy of the Property and for the drilling of the well and all other damage or injury to the Property caused by the drilling, completion, recompletion, reworking, re-entry, pumping, operation and maintenance of the well and Surface Owner accepts the above payment as full compensation for its interest therefore.~~ 
8. 75% Surface Owner agrees to provide a copy of this Agreement to any potential successor or assign of 75% Surface Owner prior to the closing of any sale of all or any portion of the Property owned by 75% Surface Owner.
9. Except for Paragraph 3. hereof which will survive the term of this Agreement, this Agreement will terminate at the end of two (2) years from the date hereof or, if the Well is productive, at such time as the Well is plugged and abandoned and the surface reclaimed and restored.
10. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto.

Agreed to and accepted the day and year first above written.

REPUBLIC RESOURCES, INC.

By: 

Patrick J. Duncan, President

75% SURFACE OWNER:

By: 

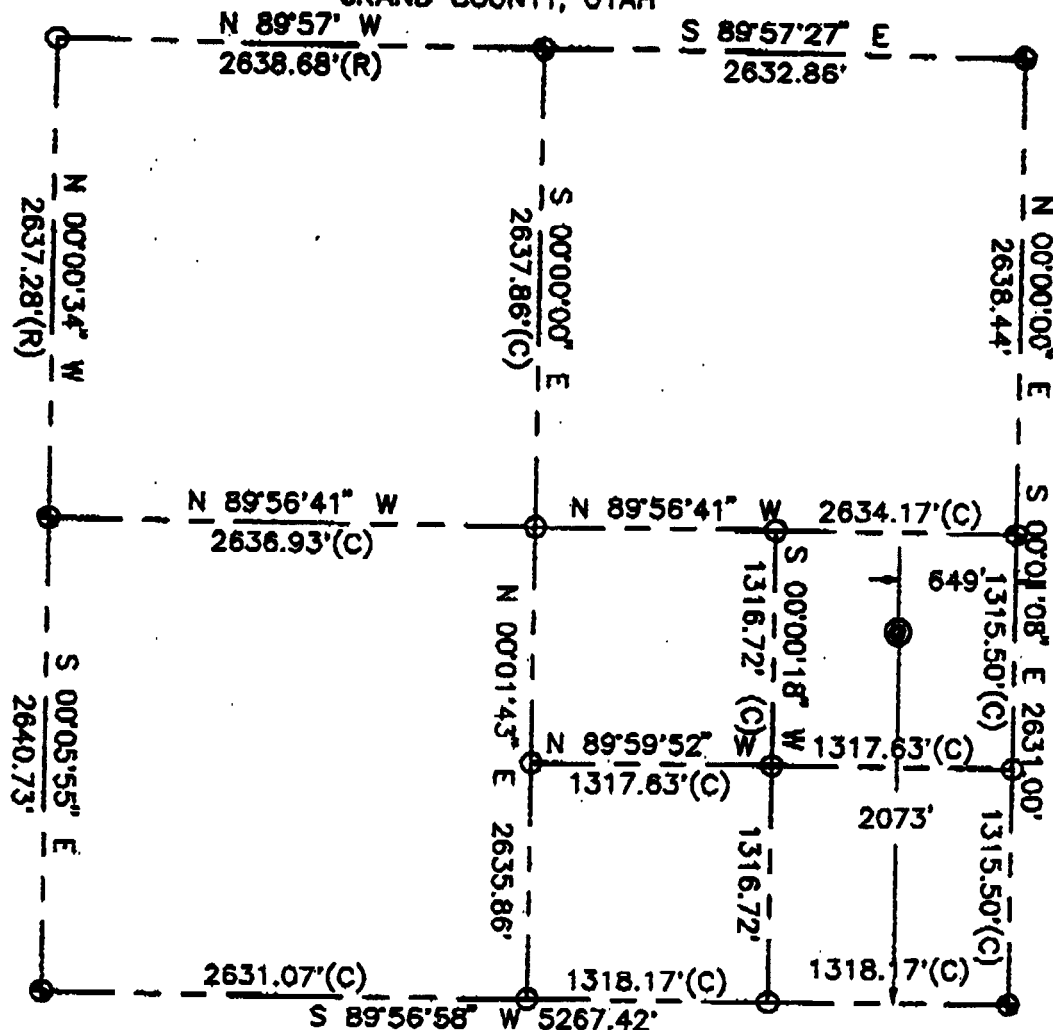
Mae Dean Wheeler, Trustee of the

F. W. Bert Wheeler Trust (Tax I.D. No. 76-6118953)

and the Mae Dean Wheeler Trust (Tax I. D. No. 76-6118954)

EXHIBIT "A"

SECTION 32, T 21 S, R 19 E, SALT LAKE BASE AND MERIDIAN,
GRAND COUNTY, UTAH



LEGEND

- (S) 1919 GLO BRASS CAP
 (C) CALCULATED MEASUREMENT
 (O) CALCULATED POSITION

1st = 1000'

NOTES

Bearings and distances between corners shown as calculated positions are taken from 1920 G.L.O. Survey of T.21 S., R.19 E., Salt Lake Base and Meridian. Distances shown between found corners are field measured.

WELL LOCATION

2073' FSL, 649' FEL
NE1/4 SE 1/4, SECTION 32, T.21 S., R.19 E.,
SALT LAKE BASE & MERIDIAN, GRAND CO., UTAH
D.H. = 38°55'27.912" N. LATITUDE
109°50'10.840" W. LONGITUDE

SURVEYOR'S STATEMENT

I, Merritt P. Dismant, a Registered Land Surveyor in the State of Utah do hereby certify that this Survey was made under my supervision and checking, and that this (Map) represents said Survey.

Myrtle, P.O. Diamond
Utah *PES 6789

CERTIFIED TRUE & CORRECT DAY OF Sept 2001.

OPERATOR: REPUBLIC RESOURCES, INC.
WELL NAME: STATE #1-32 WELL (CRESENT JUNCTION PROSPECT)
DRILL HOLE ELEVATION: 4895.6'
ELEVATIONS BASED ON NAVD '88

REPUBLIC RESOURCES, INC.
STATE #1-32 WELL
PLAT OF DRILLING LOCATION

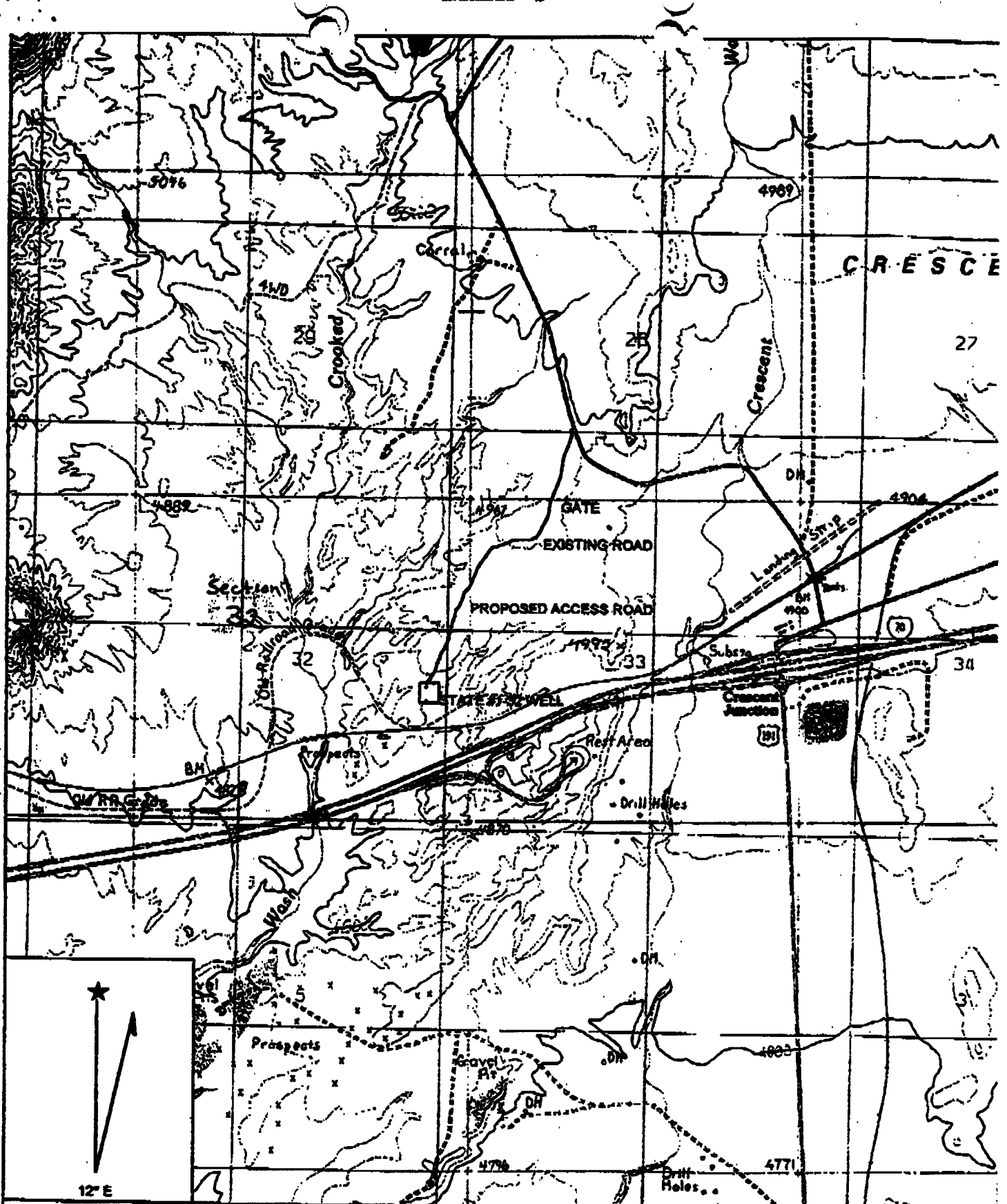
HIGH DESERT SURVEYING, LLC

2891 83/4 Rd. Grand Jct., CO #1503

Tel: 970-254-8849, Fax: 970-241-0771, e-mail: highdean@webornet.com

SUR. DATE: 9/10/01	DRAWN DATE: 9/12/01
SUR. BY: JF	DRAWN BY: JF
DWG NO. REP-ST-1-32	SCALE 1" = 1000'

EXHIBIT "B"



AFFIDAVIT OF TRUSTEE

STATE OF UTAH

COUNTY OF GRAND

Before me, the undersigned authority, a notary public in and for the State of Texas, on this day personally appeared Mae Dean Wheeler (the "Affiant"), who being by me first duly sworn, on the Affiant's oath, states:

"I am a resident of Harris County, Texas.

"On my oath, I swear that I am the duly appointed and authorized Trustee of the F.W. Bert Wheeler and Mae Dean Wheeler Family Trust, the F.W. Bert Wheeler Trust, and the Mae Dean Wheeler Trust.

"F.W. Bert Wheeler and the Affiant, as grantors, established the F.W. Bert and Mae Dean Wheeler Family Trust by Trust Agreement dated November 9, 1984. The Trust Agreement was restated in First Restatement of Trust Agreement dated March 10, 1988, and was amended in a Restated First Amendment to Trust Agreement dated January 16, 1992.

"From time to time F.W. Bert Wheeler acquired real and personal property in the name of "F.W. Bert Wheeler, Trustee." At all times pertinent to the acquisition of any such property, F.W. Bert Wheeler was acting as the Trustee of the F.W. Bert and Mae Dean Wheeler Family Trust and acquired the various properties as the Trustee for the benefit of the F.W. Bert and Mae Dean Wheeler Family Trust regardless of whether or not the existence of the trust was specifically disclosed or title to any such properties were acquired specifically as trustee of the F.W. Bert and Mae Dean Wheeler Family Trust.

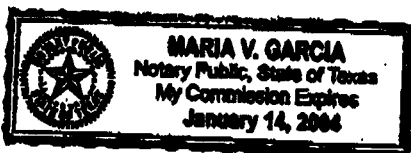
"I was married to F.W. Bert Wheeler and this marriage ended on July 27, 1996, because of the death of F.W. Bert Wheeler. F.W. Bert Wheeler was the Trustee of the F.W. Bert and Mae Dean Wheeler Family Trust during his lifetime, and the Trust Agreement provides that the Affiant, Mae Dean Wheeler, will become Trustee on the death of F.W. Bert Wheeler. The Trust Agreement further provides that upon the death of F.W. Bert Wheeler, the F.W. Bert Wheeler and Mae Dean Wheeler Family Trust shall be separated into two (2) trusts called the F.W. Bert Wheeler Trust and the Mae Dean Wheeler Trust, and that Mae Dean Wheeler will be Trustee of each of said separate Trusts as well.

"The Last Will and Testament of F.W. Bert Wheeler and the First Codicil to Last Will and Testament of F.W. Bert Wheeler were admitted to probate in Cause No. 9759, in the County Court at Law No. 1, Brazos County, Texas, and true and correct copies of the last Will and Testament of F.W. Bert Wheeler and the First Codicil to Last Will and Testament of F.W. Bert Wheeler are recorded in Volume 266, Pages 329 through and inclusive of Page 343, of the Official Records of Brazos County, Texas.

"This Affidavit is made and filed for record so that any and all parties who have transferred, acquired, or may in the future transfer or acquire, any interest in any property in Grand County, Utah, as well as so that any and all other parties, may rely on this Affidavit and the matters herein described."

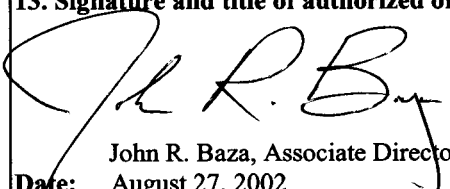
By: Mae Dean Wheeler
Mae Dean Wheeler

Sworn and subscribed to before me, the undersigned authority, by the Affiant Mae Dean Wheeler on October 18, 2001.



Maria V. Garcia
Notary Public in and for The State of Texas

STATE ACTIONS
State Clearinghouse Coordinator
116 State Capitol, SLC, UT 84114
538-1535

1. Administering State Agency Oil, Gas and Mining 1594 West North Temple, Suite 1210 Salt Lake City, UT 84114-5801	2. State Application Identifier Number: (assigned by State Clearinghouse) 3. Approximate date project will start: Upon Approval or August 30, 2002
4. Areawide clearinghouse(s) receiving state action: (to be sent out by agency in block 1) Southeastern Utah Association of Governments	
5. Type of action: // Lease /X/ Permit // License // Land Acquisition // Land Sale // Land Exchange // Other _____	
6. Title of proposed action: Application for Permit to Drill	
7. Description: Solaris Exploration Corp proposes to drill the State 1-32 well (wildcat) on a State lease ML 47441, Grand County, Utah. This action is being presented to the RDCC for consideration of resource issues affecting state interests. The Division of Oil, Gas and Mining is the primary administrative agency in this action and must issue approval before operations commence.	
8. Land affected (site location map required) (indicate county) NE/4, SE/4, Section 32, Township 21 South, Range 19 East, Grand County, Utah	
9. Has the local government(s) been contacted? No	
10. Possible significant impacts likely to occur: Degree of impact is based on the discovery of oil or gas in commercial quantities.	
11. Name and phone of district representative from your agency near project site, if applicable: 	
12. For further information, contact: Diana Mason Phone: (801) 538-5312	13. Signature and title of authorized officer  John R. Baza, Associate Director Date: August 27, 2002

**DIVISION OF OIL, GAS AND MINING
APPLICATION FOR PERMIT TO DRILL
STATEMENT OF BASIS**

OPERATOR: Solaris Exploration Corp.
WELL NAME & NUMBER: State 1-32
API NUMBER: 43-019-31394
LOCATION: 1/4,1/4 NESE Sec: 32 TWP: 21S RNG: 19E 2073' FSL 649 FEL

Surface:

Several visits have been made to the location since the permit was issued by DOGM, noting the construction of the location and pits. An inspection was made on September 4, 2002 to document the surface condition and extent of construction under the permit issued to Republic Resources. Solaris Exploration Corp. has taken over the mineral lease and has applied for a permit to drill this well. Mark L. Jones, DOGM, performed the inspection during which pictures were taken. The well pad has been built as per the Republic Resources permit however there are no berms. The pit is dug and has a synthetic liner installed, which was in excellent condition at time of inspection. The pit was not fenced. The blooie pit was dug but should have some work done on the north side to improve its integrity, (picture taken showing this). The access road into the location was as per the original APD and disturbance had been minimal. No new conditions exist at the surface of this proposed well.

Reviewer: Mark L. Jones **Date:** September 4, 2002

Conditions of Approval/Application for Permit to Drill:

1. The location and pit shall be bermed as stated in the original Conditions of Approval..
2. The blooie pit should have some work done on the north side to improve its integrity

**State of Utah**

School and Institutional
Trust Lands Administration
675 East 500 South, Suite 500
Salt Lake City, UT 84102
(801) 538-5100 FAX (801) 355-0922

Date 9-4-02

Company Name	DOGM	
Contact Name	Diana Mason	
FAX Number	359-3940	Phone 538-5312

Sender	Chris Hall
Description	Bond
Jim just called (again!) ☺	
(whew)	
Number of Pages (including cover) 2	

Aug 28 02 10:55a

eliant Exploration, Ltd.

-931-8655

p.2

002

**WELLS
FARGO****Time Account Receipt/Disclosure****2014095137**

Time Account

WELLS FARGO BANK TEXAS N.A.

Time Account number

2014095137

Maturity date

Your Time Account will mature on

02/28/2003

Interest will be paid

Date received

08/28/2002

Interest rate

1.24

Period rate

X

Term of Time Account

6 months days

Variable rate

Annual percentage yield

1.25

EVERY 06 MONTHS AND AT WITHDRAWAL

This method of interest payment will be

BY ADDING TO PRINCIPAL

Interest will be

YOU WILL AUTOMATICALLY RENEW MY TIME ACCOUNT**AT MATURITY UNLESS I NOTIFY YOU OTHERWISE.**

The Bank is opening the above described Time Account for your deposit of

TWENTY THOUSAND AND 00/100

Your name and address

Transfer Identification Number (TIN)

33-0993835

\$ ***\$20,000.00

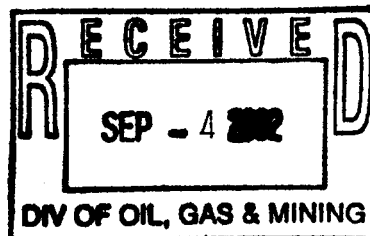
SOLARIS EXPLORATION, CORP. PEO STATE OF UTAH LANDS COMMISSION
16800 IMPERIAL VALLEY DR STE 300
HOUSTON TX 77060

08/28/2002 10:06

This is a receipt. It need not be presented at the time you obtain payment from the Bank and, therefore, it is not evidence of an ongoing deposit relationship.

B6141 2352 Bank# 8080

TDA 2000 (2-00-101000-1)



Well name:	09-02 Solaris State #1-32	
Operator:	Solaris Exploration Corp.	
String type:	Production	Project ID: 43-019-31394
Location:	Grand County	

Design parameters:
Collapse

Mud weight: 8.900 ppg
Design is based on evacuated pipe.

Minimum design factors:
Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 142 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 375 ft

Cement top: 926 ft

Burst

Max anticipated surface pressure: 0 psi
Internal gradient: 0.462 psi/ft
Calculated BHP 2,219 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.60 (B)

Non-directional string.

Tension is based on buoyed weight.

Neutral point: 4,154 ft

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost (\$)
1	4800	5.5	15.50	J-55	LT&C	4800	4800	4.825	16949

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (kips)	Tension Strength (kips)	Tension Design Factor
1	2219	4040	1.82	2219	4810	2.17	64.4	217	3.37 J

Prepared by: DKD
Utah Dept. of Natural Resources

Date: September 4, 2002
Salt Lake City, Utah

ENGINEERING STIPULATIONS: NONE

Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Collapse is based on a vertical depth of 4800 ft, a mud weight of 8.9 ppg. The casing is considered to be evacuated for collapse purposes.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

Well name:	09-02 Solaris State #1-32	
Operator:	Solaris Exploration Corp.	Project ID:
String type:	Surface	43-019-31394
Location:	Grand County	

Design parameters:

Collapse

Mud weight: 8.900 ppg
Design is based on evacuated pipe.

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 81 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 375 ft

Cement top: 26 ft

Burst

Max anticipated surface pressure: 0 psi
Internal gradient: 0.468 psi/ft
Calculated BHP 210 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.60 (B)

Tension is based on buoyed weight.
Neutral point: 391 ft

Non-directional string.

Re subsequent strings:

Next setting depth: 4,800 ft
Next mud weight: 9.000 ppg
Next setting BHP: 2,244 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 450 ft
Injection pressure 450 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost (\$)
1	450	8.625	32.00	J-55	ST&C	450	450	7.875	3591

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (kips)	Tension Strength (kips)	Tension Design Factor
1	208	2530	12.16	210	3930	18.68	12.5	372	29.77 J

Prepared by: DKD
Utah Dept. of Natural Resources

Date: September 4,2002
Salt Lake City, Utah

ENGINEERING STIPULATIONS: NONE

Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.
Collapse is based on a vertical depth of 450 ft, a mud weight of 8.9 ppg The casing is considered to be evacuated for collapse purposes.
Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

09-02 Solaris State #1-3'

Casing Schematic

Surface

8-5/8"
MW 8.9
Frac 19.3

TOC @
26.

Surface
450. MD

w/ 0 8 washout

POC @ 926

Top off w/ lite cement to surface
(lead only)

BoP

BoP

$$(0.052)(8.9)(4800) = 2221 \text{ psi}$$

$$\text{Anticipated} = (0.433)(4800) = 2078 \text{ psi}$$

$$\frac{G_{es}}{(0.12)(4800)} = 576 \text{ psi}$$

$$\text{MASP} = 1645 \text{ psi}$$

3M BOPE Proposed

Adequate

DKD 9/4/2002

2300' -
Dakota

2400' -
Lakota

2560' -
Morrison

3500' -
Mabou

3700' -
Entrada

4200' -
Navajo

4300' -
Wingate

5-1/2"
MW 8.9

Production
4800. MD

w/ 15 8 washout



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
(801) 538-5340 telephone
(801) 359-3940 fax
(801) 538-7223 TTY
www.nr.utah.gov

Michael O. Leavitt
Governor
Robert L. Morgan
Executive Director
Lowell P. Braxton
Division Director

September 5, 2002

Solaris Exploration Corporation
16800 Imperial Valley Dr., Ste. 380
Houston, TX 77060

Re: State 1-32 Well, 2073' FSL, 649' FEL, NE SE, Sec. 32, T. 21 South, R. 19 East,
Grand County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-019-31394.

Sincerely,

A handwritten signature in black ink, appearing to read 'John R. Baza', written over a horizontal line.

John R. Baza
Associate Director

er

Enclosures

cc: Grand County Assessor
SITLA

Operator: Solaris Exploration Corporation
Well Name & Number State 1-32
API Number: 43-019-31394
Lease: ML-47441

Location: NE SE Sec. 32 T. 21 South R. 19 East

Conditions of Approval

1. **General**
Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.
2. **Notification Requirements**
The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:
 - 24 hours prior to cementing or testing casing
 - 24 hours prior to testing blowout prevention equipment
 - 24 hours prior to spudding the well
 - within 24 hours of any emergency changes made to the approved drilling program
 - prior to commencing operations to plug and abandon the well

The following are Division of Oil, Gas and Mining contacts and their work telephone numbers (please leave a voice mail message if the person is not available to take the call):

 - Dan Jarvis at (801) 538-5338
 - Carol Daniels at (801) 538-5284 (spud)
3. **Reporting Requirements**
All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.
4. Compliance with the State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.
5. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statements of Basis. **(Copies Attached)**
6. The Application for Permit to Drill has been forwarded to the Resource Development Coordinating Committee for review of this action. **Operator shall be required to comply with any applicable recommendations resulting from this review.**
7. Surface casing shall be cemented completely from the setting depth of the casing back to the surface.

DIVISION OF OIL, GAS AND MINING**SPUDDING INFORMATION**Name of Company: SOLARIS EXPLORATION CORPWell Name: STATE 1-32Api No: 43-019-31394 Lease Type: STATE - SURF FEESection 32 Township 21S Range 19E County GRANDDrilling Contractor RAWHIDE WESTERN Rig # **SPUDDED:**Date 09/07/02Time 2:00 PMHow DRY**Drilling will commence:** Reported by SHORTY ALLREDTelephone # Date 09/09/2002 Signed: CHD

007

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 6

ENTITY ACTION FORM

Operator: Solaris Exploration Corp. Operator Account Number: N 2230
 Address: 11600 Imperial Valley Dr. Ste 380
city Houston
state Texas zip 77062 Phone Number: 281-931-8933

Well 1

API Number	Well Name	QQ	Sec	Twp	Rng	County
43-019-31394	ST#1-32	NWSE	32	21S	19E	GRAND
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date	
A	99999	13598	9-7-02		9-18-02	
Comments:						

Well 2

API Number	Well Name	QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date	
Comments:						

Well 3

API Number	Well Name	QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date	
Comments:						

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

LYNN FAUST
 Name (Please Print)
L. Faust
 Signature
VP 9-18-02
 Title Date

Solaris Exploration

Schlumberger

Production Log Advisor

Company	Solaris Exploration Corporation
Field	Wildcat
Well	State #1-32

Date Logged	21-Nov-2002	by	Palmer/Gibbons
Date Processed	22-Nov-2002	by	Jim Kohring

Reference Number	API 43-019-31394
Location	2,073' FSL & 649' FEL S32 T21S R19E Grand County, Utah

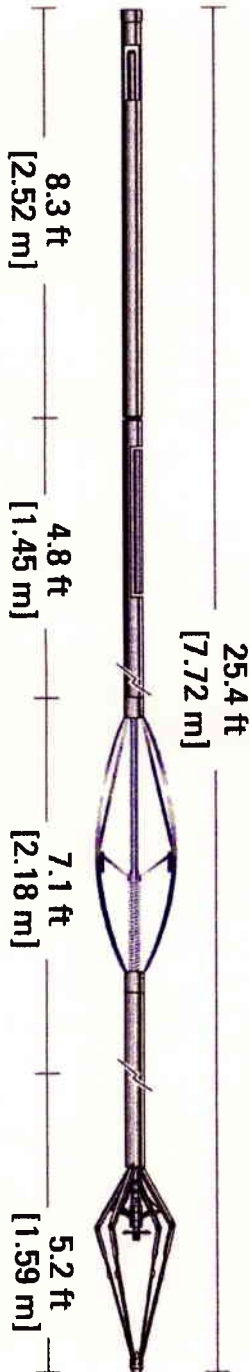
Remarks	GeoFrame Processed Interpretation v3.8.1 by Schlumberger/Data Services in Denver
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All interpretations are opinions based on inferences from electrical or other measurements and we cannot, and do not guarantee the accuracy or correctness of any interpretations and we shall not, except in the case of gross or wilful negligence on our part, be liable or responsible for any loss, cost, damages or expenses incurred or sustained by anyone resulting from any interpretation made by any of our officers, agents or employees. These interpretations are also subject to clause 4 of our general terms and conditions as set out in our current price schedule.

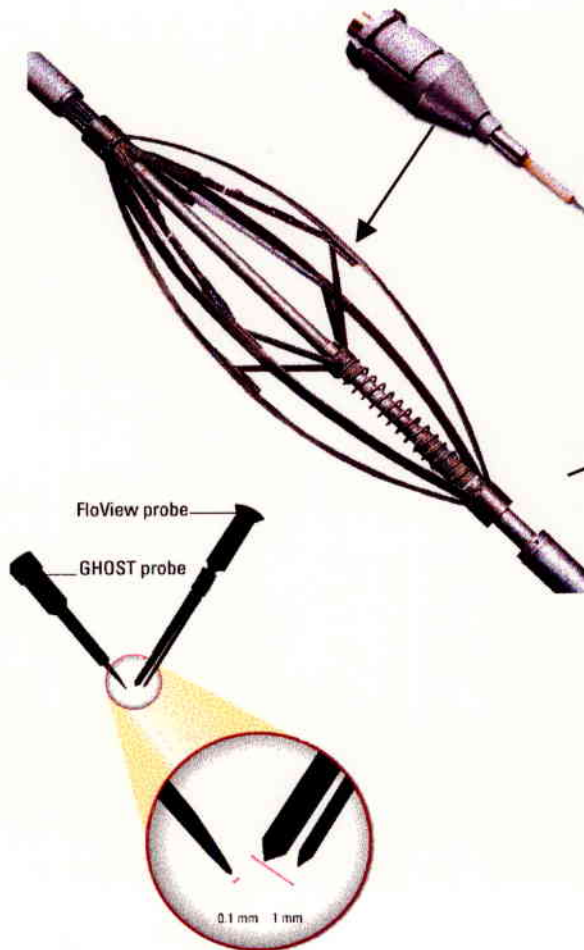
1. Production Logging Objectives

To interpret the production log data of the State #1-32 well which includes three down and three flowing up passes of the GHOST-A2 Gas Holdup Optical Sensing Tool (GHOST), PFCS-A Digital Entry Flowview Imaging Tool (DEFT), 2 1/2" Spinner with Dual-axis Caliper device, PGMS-A/B Gradiomanometer, and PSPT-A/B Pressure & Temperature tools that were recorded at various cable speeds, and resolve the following:

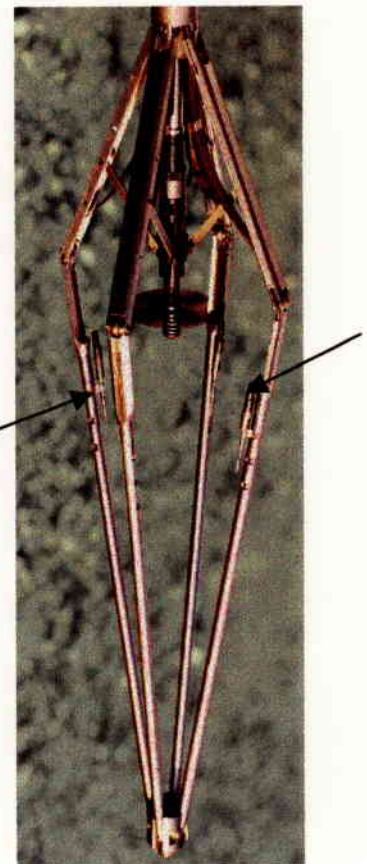
- contribution to total well flow from each of the 20 perforated intervals
- fluid type contribution from each of the 20 perforated intervals
- comparison between the interpreted cumulative values with those observed at surface as a measure of validity of this interpretation



GHOST probes



DEFT probes



2. Methodology and Interpretation

The spinner calibrations, conversions and flow profile were computed using BorFlow v2.1 from GeoFrame v3.8.1, a production logging global solver.

Digital Entry FlowView Tool (DEFT)

Four electrical probes detect water (high conductivity) and hydrocarbon (low conductivity). The DEFT Holdup measurement provides a cross-sectional view of the wellbore with a value of 1.0 equivalent to 100% water, and a value of 0.0 synonymous to 100% hydrocarbon. The DEFT probes also count water and gas/oil bubbles as small as 1.0 mm, and is accurate in fluid velocities less than 250 ft./min. The DEFT probes and spinner are useful to within twelve & eighteen inches respectively off the bottom of the hole. The most important concept in interpreting this tool response is that it *differentiates between water and hydrocarbon (gas & oil mix)*.

Gas Holdup Optical Sensing Tool (GHOST)

Four optical probes provide a light source into the wellbore fluids through a fiber optic channel. The measured reflection of light is high in gas and is absorbed (low) in liquid. The GHOST Holdup measurement also provides a cross-sectional view of the wellbore with a value of 1.0 analogous to 100% gas, and a value of 0.0 equivalent to 100% liquid. The GHOST probes also count gas and liquid bubbles as small as 0.1 mm, and are accurate in both high & low fluid velocities. A major feature with this tool is that it can detect entries of less than 1% liquid in gas wells. The most important concept in interpreting this tool response is that it *differentiates between gas and liquid (water & oil mix)*.

GHOST Probes #1 & #3 provided poor results and were more than likely damaged during the logging process. Because all available probes from both the DEFT & GHOST were reading approximately the same, one may assume that the well is not deviated significantly across the perforated intervals and that there is no phase separation. Therefore, the loss of the two GHOST probes did not reduce the certainty of this interpretation, because the two available probes are measuring the same as the two damaged ones would have also measured.

Well Conditions

The twenty perforation intervals are in 5 ½", 15.5# casing (4.96" ID). The 2 7/8" tubing hangs down below Perf #14, and a packer located just above EOT isolates any production from the bottom six perforations that were evaluated in this interpretation.

The depth of Perf #19 is reported at 4,400' - 4,432'. There is no production across this interval, however, there is significant contribution above this depth where there is no reported perforation.

This interpretation assumes that either this Perf is mis-reported, or the gun was shot off-depth. If this 32' zone is adjusted -42', the flow characteristics as seen by this logging run matches the Perf location.

The deepest perforated zone (Perf #20) is below the available logs. The deepest Station measurement taken above this perforation at 4,465' indicates Water Holdup values of 88-92%, 30-50 hydrocarbon bubbles and 5-20 gas bubbles all percolating up from this bottom interval.

Dynamic Flowing Conditions

Flowing Temperature and Pressure 1st down pass: 123.5° and 911 psi @3,950'

Maximum Temperature and Pressure 1st down pass: 125.2° and 1,001 psi @4,440'

Flowing Temperature and Pressure 3rd down pass: 123.5° and 795 psi @3,950'

Maximum Temperature and Pressure 3rd down pass: 125.4° and 905 psi @4,440'

As depicted above, wellbore pressure is decreasing significantly with time, therefore production is changing with time. The technique stacking of multiple passes together in order to determine average measurements could therefore, not be utilized.

3.0. Main Results

Reported surface flow rates immediately prior to logging:

Gas = 7,041 mcfpd Water = 5,520 bwpd Oil = 480 bopd

Reported surface flow rates immediately after logging:

Gas = 1,676 mcfpd Water = 883 bwpd Oil = 77 bopd

Computed surface flow rates:

Gas = 1,918.8 mcfpd Water = 956.7 bwpd Oil = 93.2 bopd

Reservoir Zone	Perforations Depth (ft)	Oil			Water			Gas		
		Downhole bb/d	Surface bb/d	%	Downhole bb/d	Surface bb/d	%	Downhole bb/d	Surface 1000 ft ³ /d	%
Perf 15	3962.00 - 3996.00	3.398	3.090	3.3	6.042	5.978	0.6	1826.690	562.502	31.6
Perf 16	4056.00 - 4066.00	0.370	0.336	0.4	46.034	45.542	4.8	182.333	57.482	3.2
Perf 17	4246.00 - 4272.00	3.755	3.398	3.6	750.319	742.257	77.6	1278.940	421.605	22.1
Perf 18	4332.00 - 4356.00	68.167	61.473	65.9	2.541	2.513	0.3	249.343	97.385	4.3
Perf 19	4358.00 - 4390.00	6.319	5.693	6.1	44.354	43.873	4.6	1740.930	596.786	30.1
Below survey	4391.00 - 4470.00	21.372	19.203	20.7	117.831	116.541	12.2	507.166	183.012	8.8
Total		103.381	93.192		967.122	956.704		5785.400	1918.770	

Perfs #1-14 behind tubing & isolated with packer

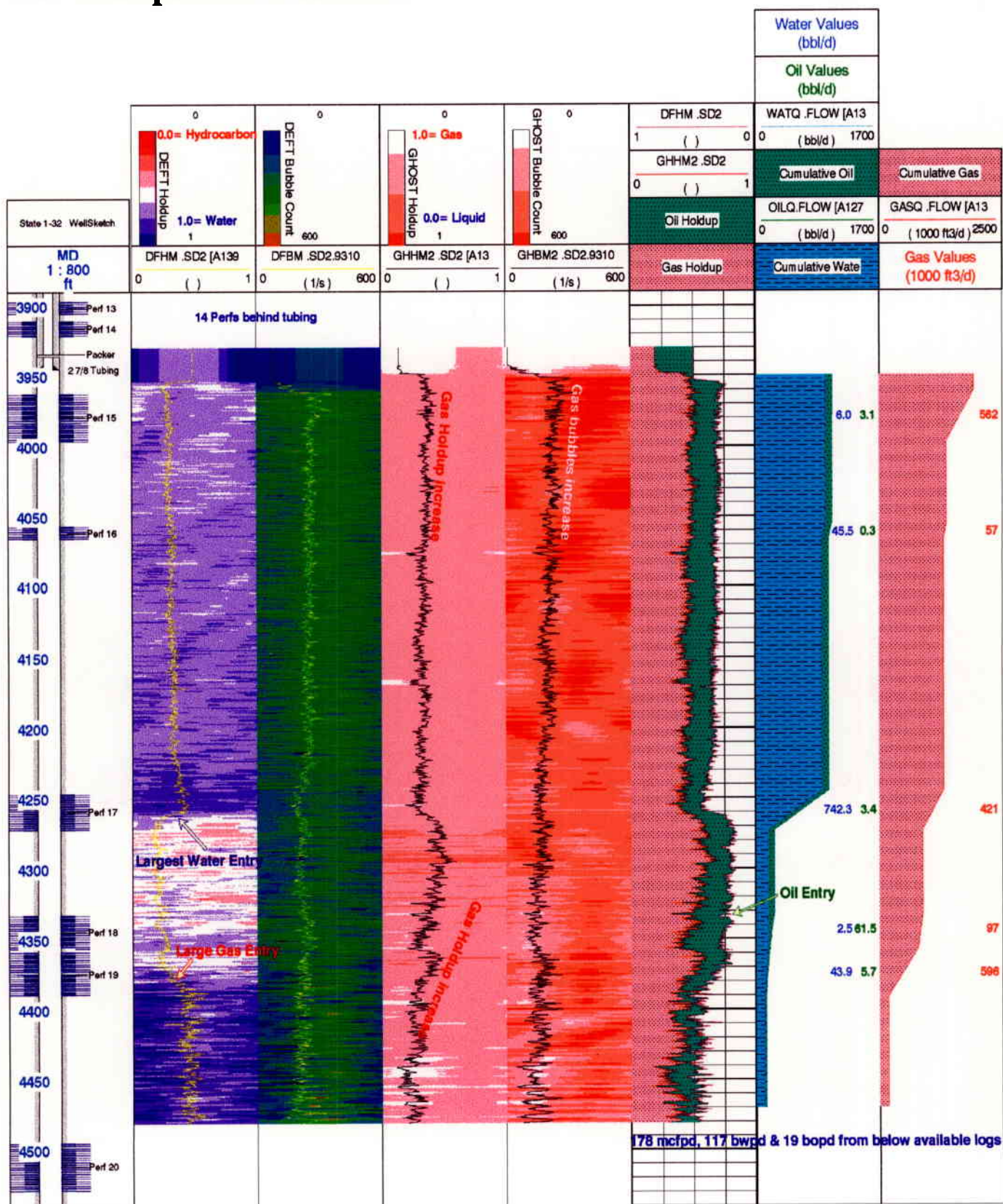
PVT Information

Oil gravity 42 API, Water salinity 20,000 ppm, Gas gravity 0.59804

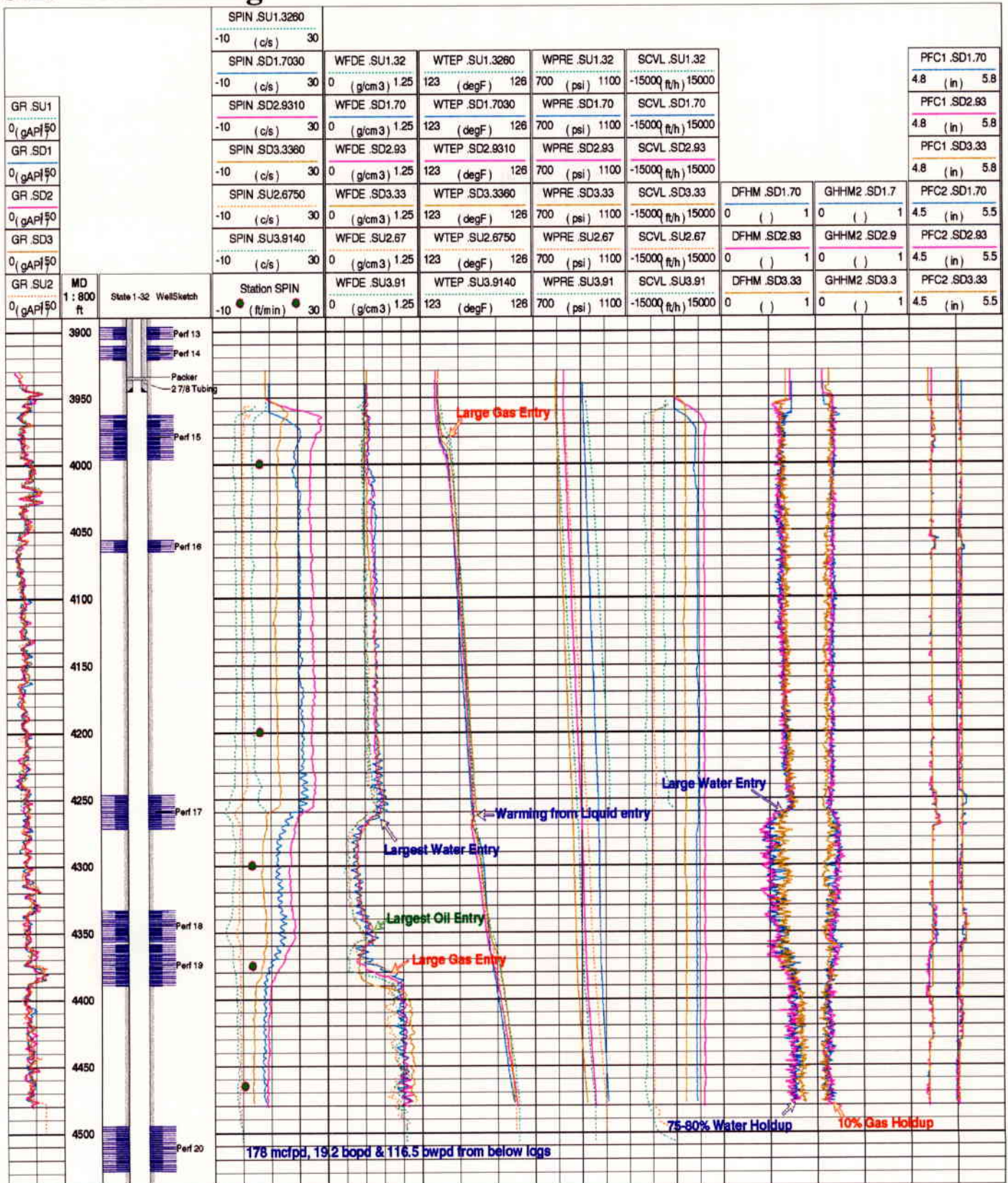
Well Deviation: not reported

5 ½", 15.5# Casing: 4.96" ID; end of 2 7/8 tubing approximately 3,945'

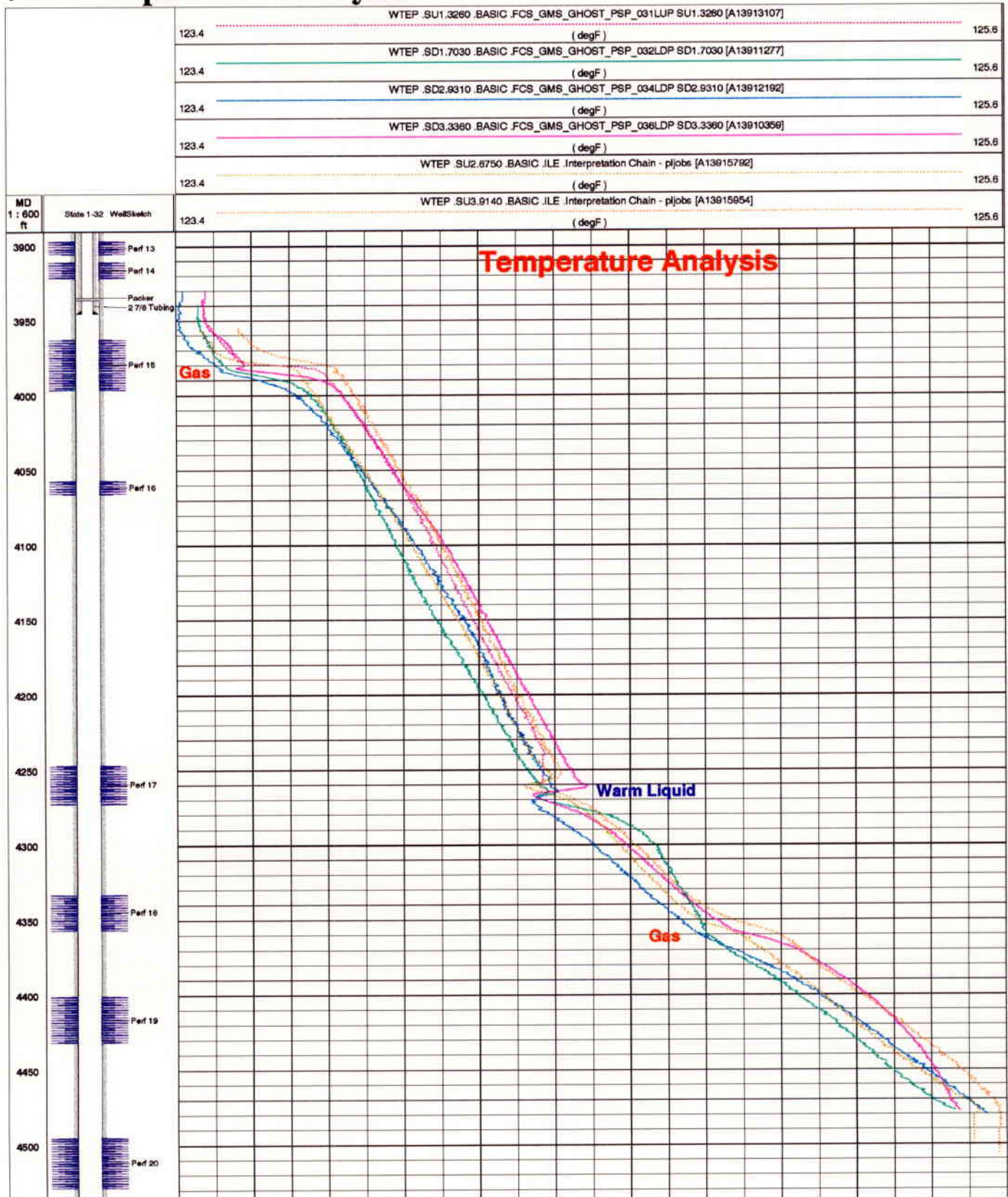
3.1. Interpretation Results



3.2. Data Editing



3.3. Temperature Analysis



3.4. Stable Intervals

SI	Top (ft)	Bottom (ft)	SPIN (ft/min)	VHBV (ft/min)	VGBV (ft/min)	MWFD (g/cm3)	WTEP (degF)	WPRE (psi)	WFDE (g/cm3)	Station SPIN
1	3950.00	3961.00	223.41	170.24	49.40	0.257	123.406 123.422	828.37 829.51	0.545	
2	3997.00	4055.00	164.01	142.38	127.66	0.522	123.716 123.911	837.65 850.82	0.603	6.35
3	4067.00	4245.00	156.59	139.38	135.13	0.558	123.963 124.360	853.73 896.65	0.644	6.25
4	4273.00	4331.00	90.75	144.76	139.88	0.322	124.359 124.650	903.81 911.80	0.421	3.30
5	4356.00	4357.00	80.19	112.42	103.28	0.448	124.764 124.765	916.81 917.15	0.613	
6	4391.00	4470.00	21.62	165.94	132.72	1.006	125.052 125.499	925.23 955.89	1.026	0.65

3.5. Fluid PVT

Fluid PVT Properties

Production Data	Fluid Type	Gas/Water/Oil
	Water Cut (%)	0.92

Standard Conditions	Oil API Gravity (dAPI)	42.00
	Gas Gravity	0.59804
	Water Salinity (ppm)	20000.00

Bubble Point	Bubble Point Pressure (psi)	
	Solution GOR (ft3/bbl)	
	Bo (bbl/bbl)	61379.60
	Oil Density (g/cm3)	

Correlations

Standing

Reservoir Conditions	Bo (bbl/bbl)	1.10
	Bw (bbl/bbl)	1.01
	1/Bg (ft3/bbl)	307.59
	Oil Density (g/cm3)	0.78
	Water Density (g/cm3)	1.00
	Gas Density (g/cm3)	0.04
	Oil Viscosity (cP)	1.21
	Water Viscosity (cP)	0.55
	Gas Viscosity (cP)	0.013
	Solution GOR ()	5.64

Beggs-Robinson

Meehan

Standing

Gillette WY
Ph (307) 682-0826



REBEL TESTING, INC.

Technical Services
(877) 505-8540

Contractor Sauers Drilling Rig No. 30 Spot NE/SE Sec 32 Twp 21 S Rng 19 E Field Wildcat County Grand State Utah Elevation 4806' KB Formation Navajo	Surface Choke 1/4" Bottom Choke 3/4" Hole Size 7 7/8" Core Hole Size DP Size & Wt 4" 14.00 WT Pipe ID of DC 2 1/4" Length of DC 508' Total Depth 4521' Type of Test Conventional Interval 4496'- 4521'	Mud Type LSND Weight 9.2 Viscosity 37 Water Loss 7.2 Filter Cake RW 2.4 @ 84 Deg F 1,933 Ppm B.H.T. 124 Deg F Co. Rep. Shorty Alford Tester Dan Williams																												
Pipe recovery: 478' Drilling mud & formation water = 2.34 bbl. Top rw: 2.5 @ 88 Deg F/1,710 ppm NaCl. Middle rw: 2.6 @ 86 Deg F/1,737 ppm NaCl. Bottom rw: 3.2 @ 86 Deg F/1,396 ppm NaCl. Surface blow: Pre-Flow: Began with a 1" blow, died in 3 minutes and remained thru flow period. Final Flow: Began with a 2" blow, decreased to surface bubbles in 5 minutes; increased to 9" in 10 minutes; decreased to 3" in 15 minutes, 2" in 20 minutes; increased to 3" in 40 minutes and remained thru flow period. After shut-in blow decreased and died in 15 minutes.		Pressure in Sampler 320 psig Volume of Sampler 2150 cc Volume of Sample 800 cc Oil: 0 cc Water: Trace cc Mud: 800 cc Gas: 2.0 cc ft Other: Fine cuttings Rw: 2.8 @ 70 Deg F/1.64 @ Res Temp/ 1,961 ppm NaCl, 1,192 ppm Cl. Gas/Oil Ratio Gravity API @ 60 Deg F																												
		Gauge Type Mechanical No. 2015 Cap 5750 psi Depth 4521 ft Inside Outside X																												
		Initial Hydrostatic A 2187 Final Hydrostatic K 2150 Initial Flow 1 B 370 Final Flow 1 C 307 Initial Flow 2 E 347 Final Flow 2 F 272 Initial Flow 3 H Final Flow 3 I Shut-in 1 D 532 Shut-in 2 G 1312 Shut-in 3 J																												
		Opened Tool @ 08:29 hrs on 08-28-2002 <table border="1"> <thead> <tr> <th></th> <th>Reported</th> <th>Corrected</th> <th></th> </tr> </thead> <tbody> <tr> <td>Flow 1</td> <td>15</td> <td>15</td> <td>min</td> </tr> <tr> <td>Shut-in 1</td> <td>30</td> <td>30</td> <td>min</td> </tr> <tr> <td>Flow 2</td> <td>60</td> <td>60</td> <td>min</td> </tr> <tr> <td>Shut-in 2</td> <td>120</td> <td>121</td> <td>min</td> </tr> <tr> <td>Flow 3</td> <td></td> <td></td> <td>min</td> </tr> <tr> <td>Shut-in 3</td> <td></td> <td></td> <td>min</td> </tr> </tbody> </table>		Reported	Corrected		Flow 1	15	15	min	Shut-in 1	30	30	min	Flow 2	60	60	min	Shut-in 2	120	121	min	Flow 3			min	Shut-in 3			min
	Reported	Corrected																												
Flow 1	15	15	min																											
Shut-in 1	30	30	min																											
Flow 2	60	60	min																											
Shut-in 2	120	121	min																											
Flow 3			min																											
Shut-in 3			min																											

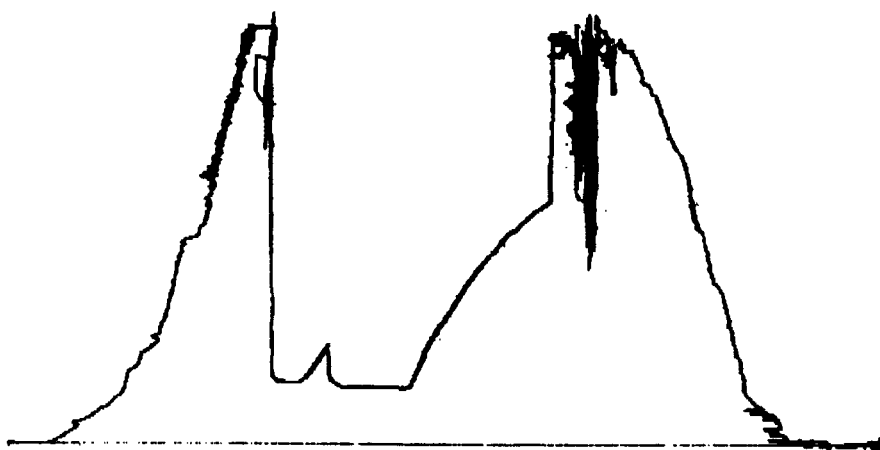
COMPANY SOLARIS EXPLORATION CORP.
 LEASE NAME & NO STATE #1-32
 INTERVAL TESTED 4496'- 4521'

COUNTY GRAND
 STATE UTAH
 FORMATION NAVAJO

DATE 08-28-2002
 TICKET # 2131
 TEST # 3



Solaris Exploration Corp.
State #1-32, Dist #3



Gauge Type	Mechanical		
No.	13197	Cap.	8075 psi
Depth	4478		
Inside	x	Outside	

Initial Hydrostatic	A	2177
Final Hydrostatic	K	2140
Initial Flow 1	B	347
Final Flow 1	C	320
Initial Flow 2	E	323
Final Flow 2	F	285
Initial Flow 3	H	
Final Flow 3	I	
Shut-in 1	D	516
Shut-in 2	G	1284
Shut-in 3	J	

Gauge Type			
No.		Cap.	psi
Depth			
Inside		Outside	

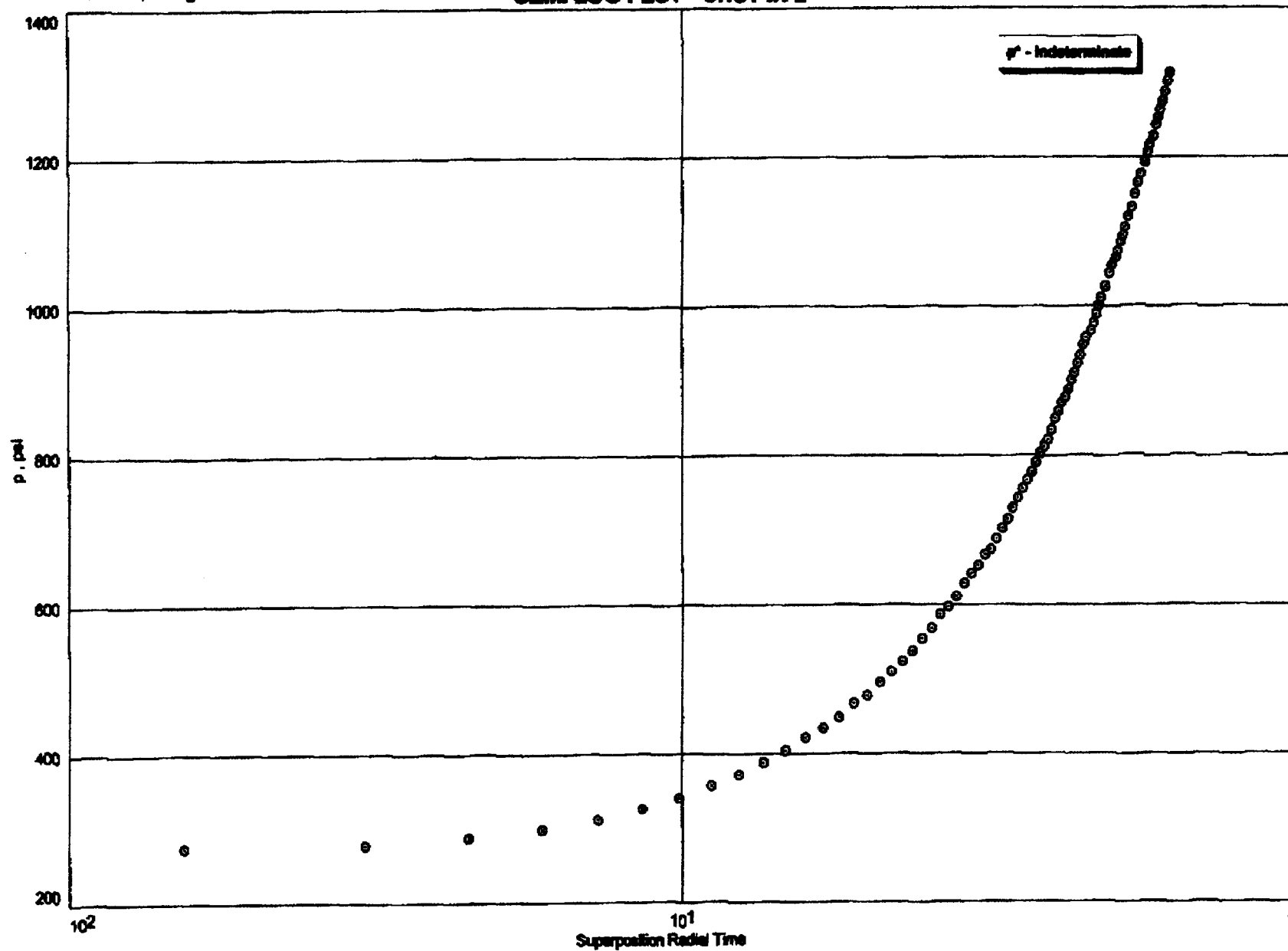
Initial Hydrostatic	A
Final Hydrostatic	K
Initial Flow 1	B
Final Flow 1	C
Initial Flow 2	E
Final Flow 2	F
Initial Flow 3	H
Final Flow 3	I
Shut-in 1	D
Shut-in 2	G
Shut-in 3	J

Gauge Type			
No.		Cap.	psi
Depth			
Inside		Outside	

Initial Hydrostatic	A
Final Hydrostatic	K
Initial Flow 1	B
Final Flow 1	C
Initial Flow 2	E
Final Flow 2	F
Initial Flow 3	H
Final Flow 3	I
Shut-in 1	D
Shut-in 2	G
Shut-in 3	J



SEMI LOG PLOT - SHUT IN 2





REBEL TESTING, INC.

Gillette WY
Ph (307) 682-9626

Technical Services
(877) 605-8640

Contractor Sauers Drilling Rig No. 30 Spot NE/SE Sec 32 Twp 21 S Rng 19 E Field Willcox County Grand State Utah Elevation 4906' KB Formation Navajo	Surface Choke 1/4" Bottom Choke 3/4" Hole Size 7 7/8" Core Hole Size DP Size & WT 4" 14.00 WT Pipe ID of DC 2 1/4" Length of DC 508' Total Depth 4272' Type of Test Conventional Interval 4237'- 4272'	Mud Type LSND Weight 9.2+ Viscosity 40 Water Loss 7.6 Filter Cake RW 2.5 @ 76 Deg F B.H.T. 2,041 Ppm Co. Rep. Shorty Allred Tester Dan Williams																												
Pipe recovery: 172' Drilling mud = 1,653 ppm NaCl. Rw: 2.8 @ 82 Deg F/1,653 ppm NaCl. Surface blow: Pre-Flow: Began with a 9" blow, increased rapidly to bottom of bucket, 5.0 psi in 5 minutes; decreased to 2.0 psi in 10 minutes and 1.5 psi in 15 minutes. Tool slid 6' to 8' during the first 8 minutes of the pre-flow period. After shut-in blow died in 45 seconds. Final Flow: Began with a 4" blow, increased to bottom of bucket in 1 minute; gas to surface in 5 minutes with 6.0 oz; decreased to 1.0 oz in 10 minutes, 0.5 oz in 15 minutes and too small to measure for remainder of flow period with a 1' to 3' flare. After shut-in blow died in 7 minutes.		Pressure in Sampler 95 psig Volume of Sampler 2150 cc Volume of Sample 700 cc Oil: 0 cc Water: 0 cc Mud: 700 cc Gas: 0.66 cu ft Other: 0 Rw: 2.8 @ 60 Deg F/1.43 @ Res Temp/ 2,271 ppm NaCl, 1,381 ppm Cl. Gas/Oil Ratio Gravity API @ 60 Deg F																												
		Gauge Type Mechanical No. 2015 Cap 5750 psi Depth 4217 ft Inside X Outside																												
		Initial Hydrostatic A 2074 Final Hydrostatic K 2051 Initial Flow 1 B 198 Final Flow 1 C 144 Initial Flow 2 E 148 Final Flow 2 F 124 Initial Flow 3 H Final Flow 3 I Shut-in 1 D 203 Shut-in 2 G 480 Shut-in 3 J																												
		Opened Tool @ 17:55 hrs on 09-28-2002 <table border="1"> <thead> <tr> <th></th> <th>Reported</th> <th>Corrected</th> <th></th> </tr> </thead> <tbody> <tr> <td>Flow 1</td> <td>15</td> <td>15</td> <td>min</td> </tr> <tr> <td>Shut-in 1</td> <td>30</td> <td>18</td> <td>min</td> </tr> <tr> <td>Flow 2</td> <td>82</td> <td>89</td> <td>min</td> </tr> <tr> <td>Shut-in 2</td> <td>164</td> <td>168</td> <td>min</td> </tr> <tr> <td>Flow 3</td> <td></td> <td></td> <td>min</td> </tr> <tr> <td>Shut-in 3</td> <td></td> <td></td> <td>min</td> </tr> </tbody> </table>		Reported	Corrected		Flow 1	15	15	min	Shut-in 1	30	18	min	Flow 2	82	89	min	Shut-in 2	164	168	min	Flow 3			min	Shut-in 3			min
	Reported	Corrected																												
Flow 1	15	15	min																											
Shut-in 1	30	18	min																											
Flow 2	82	89	min																											
Shut-in 2	164	168	min																											
Flow 3			min																											
Shut-in 3			min																											

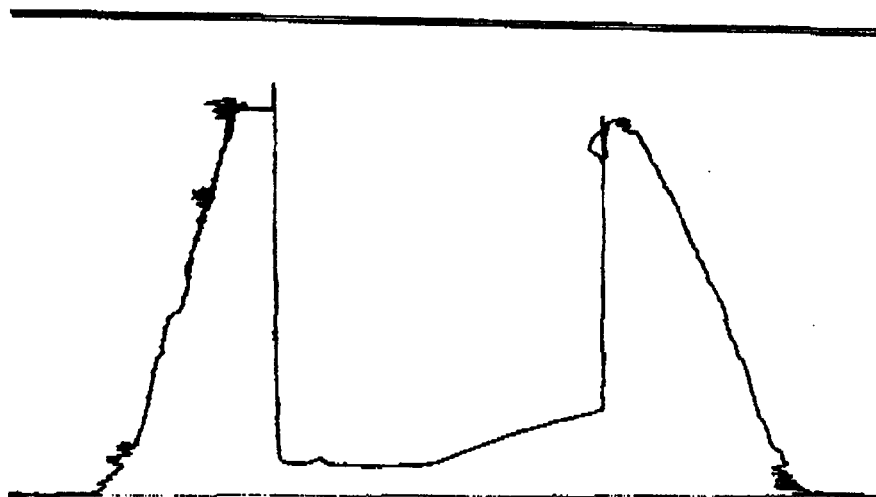
LEASE NAME & NO STATE #1-32
INTERVAL TESTED 4237'- 4272'

STATE UTAH
FORMATION NAVAJO

TEST # 2
TRIPLET # 2130



Solaris Exploration Corp.
State #1-32, Det #2



Gauge Type	Mechanical		
No.	13197	Cap.	0075 psi
Depth	4272		ft.
Inside		Outside	x

Initial Hydrostatic	A	2086
Final Hydrostatic	K	2086
Initial Flow 1	B	187
Final Flow 1	C	178
Initial Flow 2	E	178
Final Flow 2	F	168
Initial Flow 3	H	
Final Flow 3	I	
Shut-in 1	D	212
Shut-in 2	G	484
Shut-in 3	J	

Gauge Type			
No.		Cap.	psi
Depth			ft.
Inside		Outside	

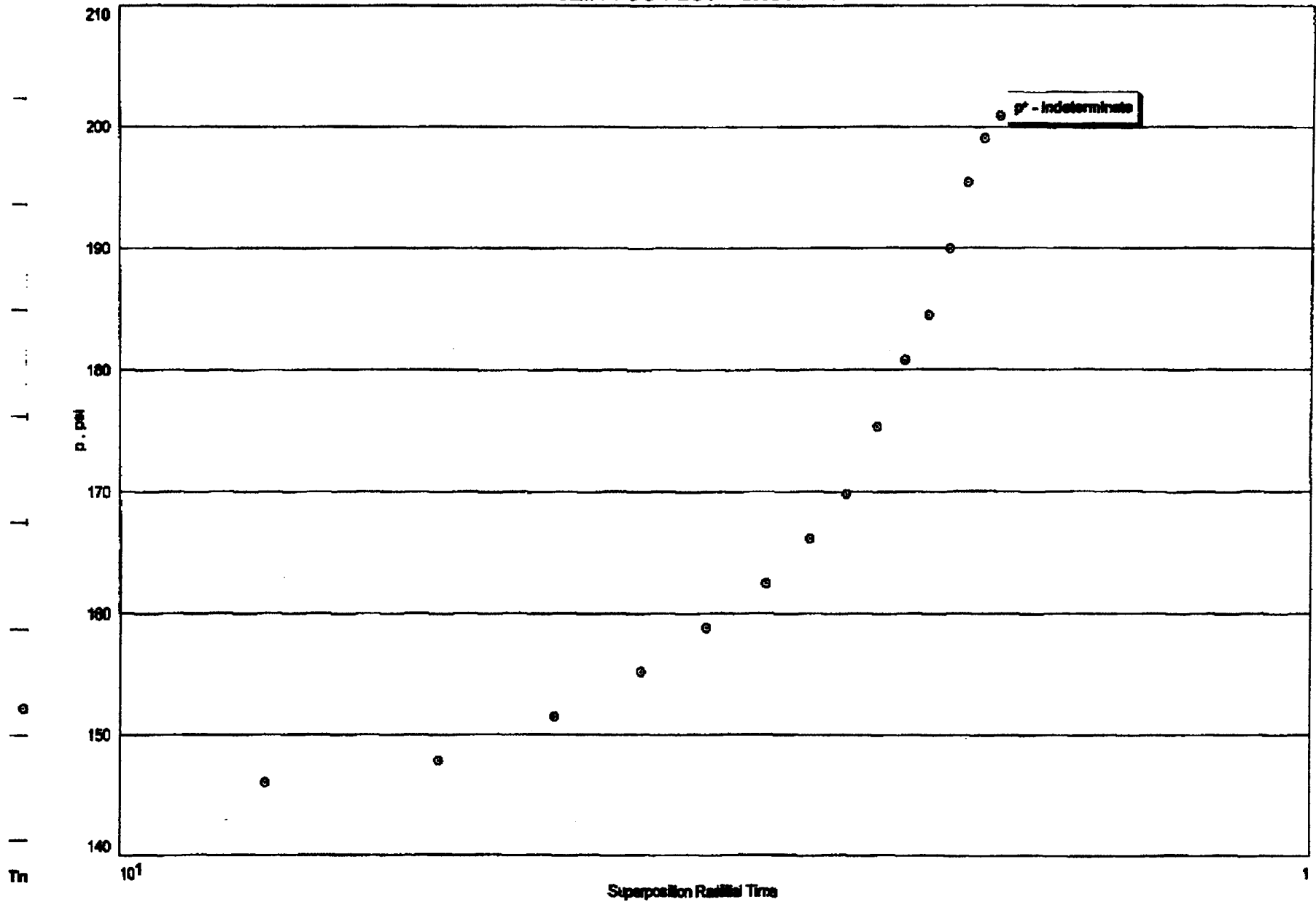
Initial Hydrostatic	A
Final Hydrostatic	K
Initial Flow 1	B
Final Flow 1	C
Initial Flow 2	E
Final Flow 2	F
Initial Flow 3	H
Final Flow 3	I
Shut-in 1	D
Shut-in 2	G
Shut-in 3	J

Gauge Type			
No.		Cap.	psi
Depth			ft.
Inside		Outside	

Initial Hydrostatic	A
Final Hydrostatic	K
Initial Flow 1	B
Final Flow 1	C
Initial Flow 2	E
Final Flow 2	F
Initial Flow 3	H
Final Flow 3	I
Shut-in 1	D
Shut-in 2	G
Shut-in 3	J

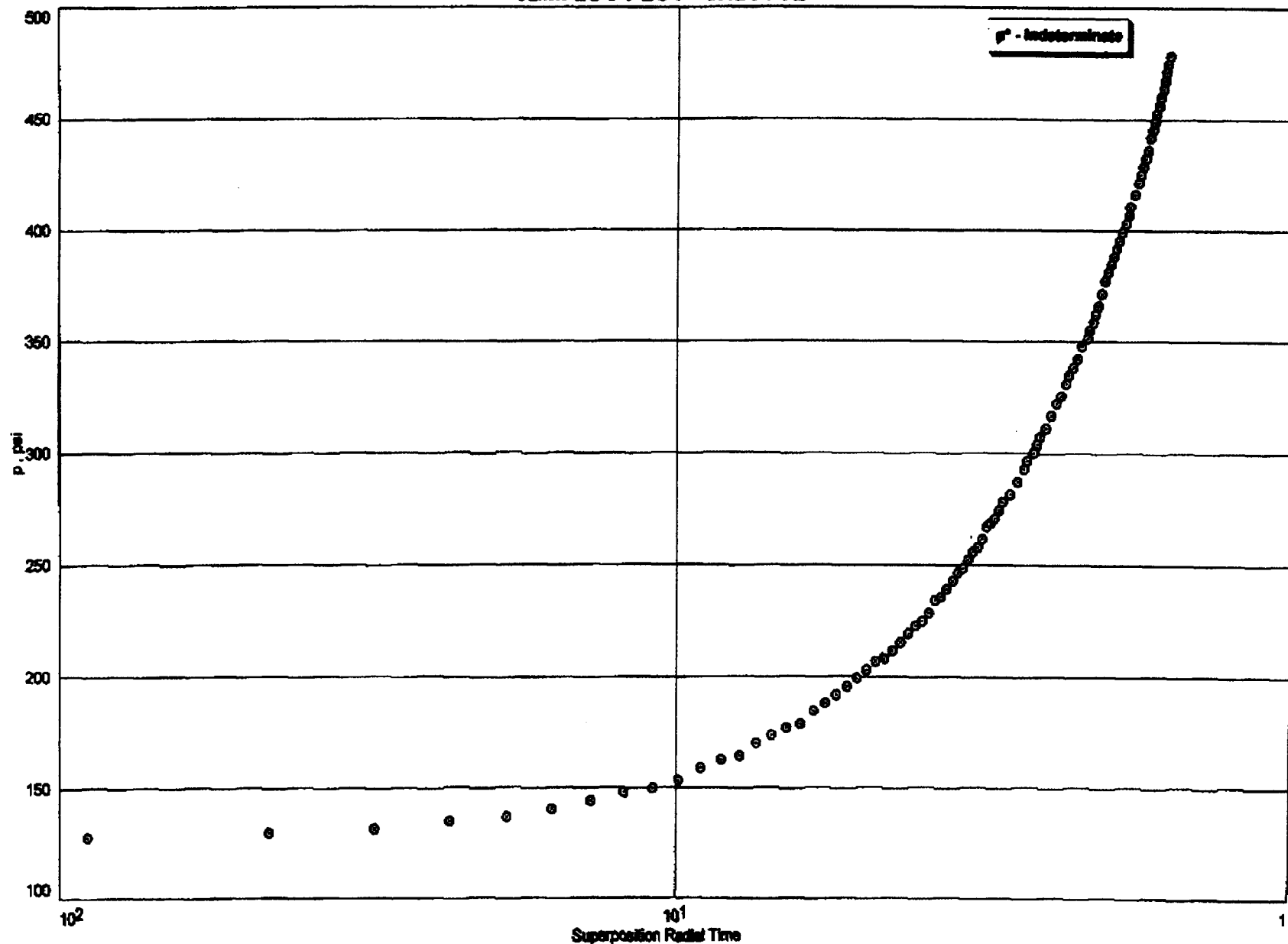


SEMI LOG PLOT - SHUT IN 1



Solaris Exploration Corp
State 1-32, Det 2, Gauge 2015

SEMI LOG PLOT - SHUT IN 2



STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

APR 03 2003

AMENDED REPORT ☐ FORM 8
(highlight changes)

DIV. OF OIL, GAS & MINING

5. LEASE DESIGNATION AND SERIAL NUMBER:

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. TYPE OF WELL: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> DRY <input type="checkbox"/> OTHER _____		6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
b. TYPE OF WORK: NEW WELL <input type="checkbox"/> HORIZ. LATS. <input type="checkbox"/> DEEP-EN <input type="checkbox"/> RE-ENTRY <input type="checkbox"/> DIRT RESVR. <input type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME	
2. NAME OF OPERATOR: Solaris Exploration		8. WELL NAME and NUMBER: Solaris State #1-32	
3. ADDRESS OF OPERATOR: 16800 Imperial Valley Dr. CITY Houston STATE TX ZIP 77060		9. API NUMBER: 4301931394	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 2073' FSL 549' FEL AT TOP PRODUCING INTERVAL REPORTED BELOW: 2073' FSL 549' FEL AT TOTAL DEPTH: 2073' FSL 549' FEL		10. FIELD AND POOL, OR WILDCAT Wildcat	
		11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENE 32 21S 19E	
		12. COUNTY Grand	13. STATE UTAH

14. DATE SPUDDED: 9/7/2002	15. DATE T.D. REACHED: 9/29/2002	16. DATE COMPLETED: 1/4/2003	ABANDONED <input type="checkbox"/> READY TO PRODUCE <input checked="" type="checkbox"/>	17. ELEVATIONS (DF, RKB, RT, GL): GL. 4896', KB 4907'
18. TOTAL DEPTH: MD 4,630 TVD 4,630	19. PLUG BACK T.D.: MD 4,580 TVD	20. IF MULTIPLE COMPLETIONS, HOW MANY? * Co-mingled Kaye		21. DEPTH BRIDGE MD PLUG SET: TVD
22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each) Neutron-Density, Dual Induction, GR, Caliper, ML, Sonic Dipmeter Caliper. (Case Hole) Temp, Spinner, <i>4-3-03</i>			23. WAS WELL CORED? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit analysis) WAS DST RUN? NO <input type="checkbox"/> YES <input checked="" type="checkbox"/> (Submit report) DIRECTIONAL SURVEY? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit copy)	

24. CASING AND LINER RECORD (Report all strings set in well)

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
12 1/4"	8 5/8	24	0	461		Type II 330	69	Surface	
7 7/8"	5 1/2	15.5	0	464		Lite 260	177	Surface	
						G 760	164		

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 7/8	4,338	3,911						

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
(A) Kayenta	3,840	4,058			3,962 3,996	.45	204	Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>
(B) Wingate	4,058	4,528			4,056 4,528	.43	504	Open <input checked="" type="checkbox"/> Squeezed <input checked="" type="checkbox"/>
(C)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(D)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>

27. PERFORATION RECORD

28. ACID, FRACTURE, TREATMENT, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
	See Attached Acidizing, Fracture & Squeeze Record

29. ENCLOSED ATTACHMENTS:

- ☒ ELECTRICAL/MECHANICAL LOGS
☐ SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION
☒ GEOLOGIC REPORT
☐ CORE ANALYSIS
☒ DST REPORT
☐ OTHER: _____
☐ DIRECTIONAL SURVEY

30. WELL STATUS:

hut-in Pendin

31. INITIAL PRODUCTION

INTERVAL A (As shown in Item #26)

DATE FIRST PRODUCED: 1/3/2003	TEST DATE: 1/3/2003	HOURS TESTED: 24	TEST PRODUCTION RATES: →	OIL – BBL: 35	GAS – MCF: 0	WATER – BBL: 65	PROD. METHOD: Rod Pump
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS. 0	API GRAVITY 42.00	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	INTERVAL STATUS:

INTERVAL B (As shown in Item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	INTERVAL STATUS:

INTERVAL C (As shown in Item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	INTERVAL STATUS:

INTERVAL D (As shown in Item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	INTERVAL STATUS:

32. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, Etc.)

Flared

33. SUMMARY OF POROUS ZONES (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
Navajo	3,384	3,428	Oil-bearing Porosity	Mancos	0
Navajo	3,428	3,922	Water-bearing Porosity	Dakota	2,718
Kayenta	3,962	3,996	Oil / Water Bearing Porosity	Morrison	3,012
Wingate	4,058	4,064	Oil / Water Bearing Porosity	Salt Wash	3,226
Wingate	4,246	4,272	Oil / Water Bearing Porosity	Carmel	3,250
Wingate	4,332	4,356	Oil / Water Bearing Porosity	Navaio	3,334
Wingate	4,494	4,528	Oil / Water Bearing Porosity	Kayenta	3,840
DST #1	4,236	4,272	See Attached DST Report	Wingate	4,058
DST #2	4,496	4,521	See Attached DST Report	Chinle	4,632

35. ADDITIONAL REMARKS (Include plugging procedure)

Well is currently shut-in, pending evaluation of horizontal drilling in the upper Navajo Sandstone.

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

NAME (PLEASE PRINT) A.W. AllredTITLE AgentSIGNATURE DATE 04/02/03

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation
- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

** ITEM 24: Cement Top – Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to: Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

Phone: 801-538-5340

Fax: 801-359-3940

COMP REPORT 3-31-03

Solaris State #1-32 Perforations

Original Perforations					
Top	Bottom	Feet	Hole Dia	SPF	Formation
3384	3438	54	0.41	4	Navajo
3462	3486	24	0.41	4	Navajo
3488	3544	56	0.41	4	Navajo
3548	3612	64	0.41	4	Navajo
3620	3672	52	0.41	4	Navajo
3682	3704	22	0.41	4	Navajo
3710	3724	14	0.41	4	Navajo
3738	3792	54	0.41	4	Navajo
3798	3804	6	0.41	4	Navajo
3824	3838	14	0.41	4	Navajo
3840	3866	26	0.41	4	Kayenta
3878	3882	4	0.41	4	Kayenta
3896	3906	10	0.41	4	Kayenta
3910	3922	12	0.41	4	Kayenta
3962	3996	34	0.41	4	Kayenta
4056	4066	10	0.43	4	Wingate
4246	4272	26	0.43	4	Wingate
4332	4356	24	0.43	4	Wingate
4400	4432	32	0.43	4	Wingate
4494	4528	34	0.43	4	Wingate

Re-Perforated Intervals					
Top	Bottom	Feet	Hole Dia	SPF	Formation
3384	3392	8	0.45	2	Navajo
3400	3406	6	0.45	2	Navajo
3408	3420	12	0.45	2	Navajo

Re-Perforated Intervals					
Top	Bottom	Feet	Hole Dia	SPF	Formation
3962	3996	34	0.45	2	Kayenta

Squeezed Intervals					
Top	Bottom	Feet	Hole Dia	SPF	Formation
4246	4272	26	0.45	2	Wingate

Solaris State #1- 32 Frac Data

Top	Bottom	Feet	Hole Dia	SPF	Formation	Type	Size	lbs	KCL %	Base	X-link	Vol, gal
3962	3996	34	0.41	4	Kayenta	Ottawa	20-40	42500	3	Guar	Borate	20000
4056	4066	10	0.43	4	Wingate							
4246	4272	26	0.43	4	Wingate	Ottawa	20-40	99500	3	Guar	Borate	42000
4332	4356	24	0.43	4	Wingate							
4400	4432	32	0.43	4	Wingate	Ottawa	20-40	99500	3	Guar	Borate	42000
4494	4528	34	0.43	4	Wingate							

Frac'd Wingate perforations 4400'-4432' & 4494'-4528' w/ 99,500 lbs 20-40 Ottawa sand 1-5 ppg in 1 ppg increments, & 42,000 gal of BJ service's Viking 1D 2500 fluid (3% KCl Borate X-linked guar gel) @ 24.9 - 24.7 BPM, 3248-3040-3471 psi. Initial break @ 3818 psi-16 BPM. ISIP-1720 psi, 5 min-1542 psi, 10 min-1396 psi. 120 F break on gel samples. Pressure up annulus & stung out of modified Lok-Set packer @ 4374'. P.O.O.H.

R.I.H. w/ Baker modified Lok-Set packer and retrievematic packer in tandem. Set Lok Set pkr @ 4154' (4158' EOT).

Frac'd Wingate perforations 4246'-4272' & 4332'-4356' w/ 99,500 lbs 20-40 Ottawa sand 1-5 ppg in 1 ppg increments, & 42,000 gal of BJ Svc's Viking 1D 2500 fluid (3% KCl Borate X-link guar gel) @ 24.8-24.7-24.8 BPM, 3714-3027-3211 psi. Initial break @ 4221 psi-11.4 BPM. ISIP-1510 psi, 5 min-1421 psi, 10 min-1367 psi. 120 F break on gel smpls. Stung out of modified Lok-Set pkr @ 4154'. Pulled up & set retrievematic packer @ 3935' in 20,000# compression.

Frac'd Wingate-Kayenta perfs. 3962'-3996' & 4056'-4066' w/ 42,500 lbs 20-40 Ottawa sand from 1-5 ppg in 1ppg increments, & 20,000 gal of BJ Service's Viking 1D 2500 fluid (3% KCl Borate X-linked guar gel) @ 12.7-24.8 BPM, 4828-5208-4712 psi. Initial break @ 5137 psi-13 BPM. ISIP-2220 psi, 5 min-1877 psi, 10 min-1773 psi, 15 min-1717 psi, 20 min-1668 psi, 25 min-1627 psi, 30 min-1588, 35 min-1537 psi, 40 min-1515 psi. 120 F break on gel samples.

Solaris State #1-32 Acid Jobs

Original Perforations

Top	Bottom	Feet	Hole Dia	SPF	Formation	Acid	Conc-%	Vol, gal	Date
3384	3438	54	0.41	4	Navajo	One-Shot	7.5	17500	10/19/02
3462	3486	24	0.41	4	Navajo				
3488	3544	56	0.41	4	Navajo				
3548	3612	64	0.41	4	Navajo				
3620	3672	52	0.41	4	Navajo				
3682	3704	22	0.41	4	Navajo				
3710	3724	14	0.41	4	Navajo				
3738	3792	54	0.41	4	Navajo				
3798	3804	6	0.41	4	Navajo				
3824	3838	14	0.41	4	Navajo	One-Shot	7.5	5670	10/16/02
3840	3866	26	0.41	4	Kayenta				
3878	3882	4	0.41	4	Kayenta				
3896	3906	10	0.41	4	Kayenta				
3910	3922	12	0.41	4	Kayenta				
3962	3996	34	0.41	4	Kayenta				
4056	4066	10	0.43	4	Wingate				
4246	4272	26	0.43	4	Wingate	HCl	7.5	1000	10/14/02
4332	4356	24	0.43	4	Wingate	HCl	7.5	1000	10/13/02
4400	4432	32	0.43	4	Wingate				
4494	4528	34	0.43	4	Wingate	HCl	7.5	1500	10/11/02

Acid	Conc-%	Vol, gal	Date
HCl	7.5	500	10/12/02

Re-Perforated Intervals

Top	Bottom	Feet	Hole Dia	SPF	Formation	Acid	Conc-%	Vol, gal	Date
3384	3392	8	0.45	2	Navajo	One-Shot	7.5	1300	10/24/02
3400	3406	6	0.45	2	Navajo				
3408	3420	12	0.45	2	Navajo				

010



State of Utah

Department of
Natural ResourcesDivision of
Oil, Gas & MiningROBERT L. MORGAN
*Executive Director*LOWELL P. BRAXTON
*Division Director*MICHAEL O. LEAVITT
*Governor*OLENE S. WALKER
Lieutenant Governor

April 16, 2004

CERTIFIED MAIL NO. 7002 0510 0003 8602 6228Lynn Faust
Solaris Exploration Corporation
16800 Imperial Valley Drive, Suite 380
Houston, Texas 77060Re: Extended Shut-in and Temporary Abandoned Well Requirements for Fee
or State Leases.

Dear Lynn Faust:

Solaris Exploration Corporation, as of April 2004, has one (1) State Lease Well (see attachment A) that is currently in non-compliance for extended shut-in or temporary abandonment status. Wells SI/TA beyond twelve (12) consecutive months requires filing a Sundry Notice (R649-3-36-1). Wells with five (5) years non-activity or non-productivity shall be plugged, unless the Division grants approval for extended shut-in time upon a showing of good cause by the operator (649-3-36-1.3.3). For extended SI/TA consideration the operator shall provide the Utah Division of Oil, Gas & Mining with the following:

1. Reasons for SI/TA of the well (R649-3-36-1.1).
2. The length of time the well is expected to be SI/TA (R649-3-36-1.2), and
3. An explanation and supporting data if necessary, for showing the well has integrity, meaning that the casing, cement, equipment condition, static fluid level, pressure, existence or absence of Underground Sources of Drinking Water and other factors do not make the well a risk to public health and safety or the environment (R649-3-36-1.3).

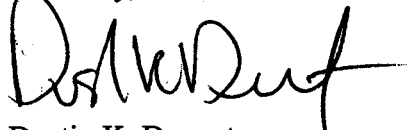
Page 2
April 16, 2004
Lynn Faust

Submitting the information suggested below may help show well integrity and may help qualify your well for extended SI/TA. **Note: As of July 1, 2003, wells in violation of the SI/TA rule R649-3-36 may be subject to full cost bonding (R649-3-1-4.2, 4.3).**

1. Wellbore diagram, and
2. Copy of recent casing pressure test, and
3. Current pressures on the wellbore (tubing pressure, casing pressure, and casing/casing annuli pressure) showing wellbore has integrity, and
4. Fluid level in the wellbore, and
5. An explanation of how the submitted information proves integrity.

If the required information is not received within 30 days of the date of this notice, further actions may be initiated. If you have any questions concerning this matter, please contact me at (801) 538-5281.

Sincerely,



Dustin K. Doucet
Petroleum Engineer

jc
cc: John Baza
Well File
SITLA

Solaris Exploration Corporation

	Well Name	API	Lease Type	Years Inactive
1	State 1-32	43-019-31394	State	1 Year 0 Months

Attachment A

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3

AMENDED REPORT ☐
(highlight changes)

APPLICATION FOR PERMIT TO DRILL

1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>		5. MINERAL LEASE NO: ML 47441	6. SURFACE Fee
8. TYPE OF WELL: OIL <input checked="" type="checkbox"/> GAS <input type="checkbox"/> OTHER _____ SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		7. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A	
2. NAME OF OPERATOR: Solaris Exploration Corp		8. UNIT or CA AGREEMENT NAME: N/A	
3. ADDRESS OF OPERATOR: 16800 Imperial Valley Dr., Ste. 380, Houston, TX CITY STATE ZIP 77060		9. WELL NAME and NUMBER: State #1-32	
4. LOCATION OF WELL (FOOTAGES): AT SURFACE: 2073' FSL - 649' FEL 4310674 Y 38.94109 AT PROPOSED PRODUCING ZONE: Same 600932 X - 109.83540		10. FIELD AND POOL, OR WILDCAT: Wildcat	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 1.7 miles West of Crescent Junction, Utah		11. OTC/OTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NE 1/4 SE 1/4 Sec. 32-T21S-R19E SLB&M	
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET): 649'	16. NUMBER OF ACRES IN LEASE: 480	17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 40	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET)	19. PROPOSED DEPTH: 4800'	20. BOND DESCRIPTION: Surety bond applied for individual lease	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 4896' GL	22. APPROXIMATE DATE WORK WILL START: August 30, 2002	23. ESTIMATED DURATION: 30 days	

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT
12 1/4"	8 5/8" J55 34#	450'±	cement to surface w/140±sx 50/50 Poz, Cl. G 1.25 ^{cg} / _{5K}
7 7/8"	5 1/2" J55 15.5#	4800'±	cement to 400' w/875±sx 50/50 Poz, class G, 1.25 ^{cg} / _{5K}

ATTACHMENTS

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:

☒ WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER
☐ EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER

☒ COMPLETE DRILLING PLAN

☐ FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN GAS & MINING DIV. OF OIL, GAS & MINING

RECEIVED

JUN 10 2004

NAME (PLEASE PRINT) Garry L. Roggow

TITLE Agent

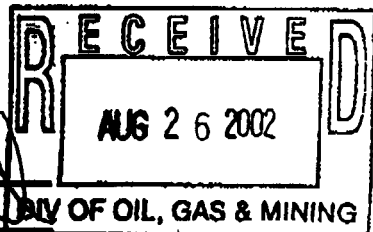
SIGNATURE Garry L. Roggow

DATE August 26, 2002

(This space for State use only)

API NUMBER ASSIGNED: 43-019-31394

Approved by the
Utah Division of
Oil, Gas and Mining



Date: August 26, 2002

By: Garry L. Roggow DIV. OF OIL, GAS & MINING

DESIGNATION OF AGENT OR OPERATOR

The undersigned is, on record, the holder of oil and gas lease

LEASE NAME: _____

LEASE NUMBER: _____

> See Attached

and hereby designates

NAME: MSC Exploration, L.P.

ADDRESS: 16800 Imperial Valley Dr. Ste 380
city Houston state TX zip 77060

as his (check one) agent ☐ / operator ☒, with full authority to act in his behalf in complying with the terms of the lease and regulations applicable thereto and on whom the Division Director or Authorized Agent may serve written or oral instructions in securing compliance with the Oil and Gas Conservation General Rules and Procedural Rules of the Board of Oil, Gas and Mining of the State of Utah with respect to:

(Describe acreage to which this designation is applicable. Identify each oil and gas well by API number and name. Attach additional pages as needed.)

State 21-19 # 32-16D

It is understood that this designation of agent/operator does not relieve the lessee of responsibility for compliance with the terms of the lease and the Oil and Gas Conservation General Rules and Procedural Rules of the Board of Oil, Gas and Mining of the State of Utah. It is also understood that this designation of agent or operator does not constitute an assignment of any interest in the lease.

In case of default on the part of the designated agent/operator, the lessee will make full and prompt compliance with all rules, lease terms or orders of the Board of Oil, Gas and Mining of the State of Utah or its authorized representative.

The lessee agrees to promptly notify the Division Director or Authorized Agent of any change in this designation.

Effective Date of Designation: 6-10-04

BY: (Name) Lynn Faust
(Signature) L Faust
(Title) VP
(Phone) 281-931-8933

OF: (Company) Solaris Exploration Corp
(Address) 16800 Imperial Valley Ste 380
city Houston
state TX zip 77060

DIV. OF OIL, GAS & MINING

RECEIVED

JUN 10 2004

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NUMBER: ML 47441
2. NAME OF OPERATOR: Solaris Exploration, Corp N2230		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
3. ADDRESS OF OPERATOR: 16800 Imperial Valley Dr. Ste. 380		7. UNIT or CA AGREEMENT NAME: N/A
4. LOCATION OF WELL Houston, TX 77060		8. WELL NAME and NUMBER: STATE #1-32
FOOTAGES AT SURFACE:		9. API NUMBER: 42-019-31394
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:		10. FIELD AND POOL, OR WILDCAT: Wildcat
COUNTY:		
STATE:		UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input checked="" type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

NEW OPERATOR:

MSC Exploration L.P. N2595
 16800 Imperial Valley Dr.
 Ste 380
 Houston, Tx 77060

Bond #
 effective

APPROVED 12/2/04
 Denied
 Earlene Russell, Engineering Technician
 Division of Oil, Gas and Mining

RECEIVED
 JUL 15 2004

DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) Lynn Faust TITLE VP - Solaris Exploration Corp
 SIGNATURE [Signature] DATE 7-13-04

(This space for State use only)



State of Utah

Department of
Natural Resources

ROBERT L. MORGAN
Executive Director

Division of
Oil, Gas & Mining

LOWELL P. BRAXTON
Division Director

OLENE S. WALKER
Governor

GAYLE F. McKEACHNIE
Lieutenant Governor

November 29, 2004

CERTIFIED MAIL NO. 7002 0510 0003 8602 5955

Lynn Faust
Solaris Exploration Corporation
16800 Imperial Valley Drive, Suite 380
Houston, Texas 77060

Re: Second Notice of Shut-in and Temporarily Abandoned Well Requirements for Wells on Fee or State Leases.

Dear Lynn Faust:

As of November 2004, Solaris Exploration Corporation ("Solaris") has one (1) State Lease Well, the State 1-32 (API # 43-019-31394), in non-compliance with R649-3-36. The requirements for extended shut-in or temporary abandonment (SI/TA) status have not been met for this well.

The Utah Division of Oil, Gas & Mining (the "Division") mailed a certified letter dated April 16, 2004 (received by Solaris on 4/19/2004) explaining why this well is in non-compliance and the necessary action Solaris must take before this well will be considered for extended SI/TA status. In addition, the Division initiated telephone contact with Ms. Lynn Faust and/or Mr. Guyland Williams on June 3, August 19 & 23, September 23 & 24 and October 1, 2004 regarding the above matter. To date Solaris has not submitted the information requested by the Division or demonstrated the well has integrity and is not a risk to public health and safety or the environment (R649-3-36-1.1-1.3).

If the Division does not receive the required information by written response within 30 days of the date of this notice, further action will be initiated by issuing a Notice of Violation (NOV). If you have any questions concerning this matter, please contact me at (801) 538-5281.

Sincerely,

A handwritten signature in black ink, appearing to read "D. K. Doucet".

Dustin K. Doucet
Petroleum Engineer

DKD:jc

cc: John Baza
Well File
SITLA



State of Utah

Department of
Natural ResourcesROBERT L. MORGAN
*Executive Director*Division of
Oil, Gas & MiningLOWELL P. BRAXTON
*Division Director*OLENE S. WALKER
*Governor*GAYLE F. McKEACHNIE
Lieutenant Governor

December 2, 2004

Lynn Faust
Solaris Exploration Corp
16800 Imperial Valley Dr, Suite 380
Houston, TX 77060RE: Operator Changes for State 21-19#32-16D (API 43-019-31399) and
State 1-32 (API 43-019-31394) and Plugging

Dear Ms. Faust:

The Division of Oil, Gas and Mining is returning the Form 9, Sundry Notice and Reports on Wells unapproved for operator changes from Solaris Exploration Corp to MSC Exploration, LP for the referenced wells.

Rule R649-3-1(14.6.1) states "If the division determines that the new operator's bond coverage will be insufficient to cover the costs of plugging and site restoration for the applicable well(s), the division may deny the change of operator"

Call if you have other questions (801) 538-5336.

Sincerely,

A handwritten signature in cursive script that reads "Earlene Russell".

Earlene Russell
Engineering Technician

Enclosures (2)

cc: Dan Jarvis
Bond file
Well files

2105 1908 Dec. 32

From: "Williams, Galan" <gwilliams@PPITech.net>
To: "'dustindoucet@utah.gov'" <dustindoucet@utah.gov>
Date: 1/12/2005 3:56:42 PM
Subject: MSC Exploration Solaris State #1-32

Dustin:

Please see the attached. Thanks for working with us.

Galan

J. Galan Williams, P. E.
Vice President of Contracts and General Manager of Managed Risk
PPI Technology Services, L. P.
800 Gessner, Suite 900
Houston, TX 77024
Ph: 713-464-2200
Fax: 866-591-4997
mailto:gwilliams@ppitech.net
Check us out at www.ppitech.net

<<Sundry Notice 1.pdf>> <<GW letter to D Doucet.pdf>> <<Well Plan
Outline.pdf>> <<Casing Test 1-10-05.pdf>> <<CMR 1-8-05 State MSC Solaris
#1-32.pdf>> <<CMR 1-9-05 State MSC Solaris #1-32.pdf>> <<CMR 1-10-05 State
MSC Solaris #1-32.pdf>> <<CMR 1-11-05 State MSC Solaris #1-32.pdf>> <<CMR
1-12-05 State MSC Solaris #1-32.pdf>>

CC: "'lfaust@mscexploration.com'" <lfaust@mscexploration.com>,
"'james@jonesconsultants.com'" <james@jonesconsultants.com>



January 12, 2005

Mr. Dustin Doucet
State of Utah
Department of Natural Resources
1594 W. North Temple, Suite 1210
Salt Lake City, UT 84114

Re: Shut-in and Temporarily Abandoned Well Requirements
MSC Exploration State MSC Solaris #1-32
Grand County, Utah

Dear Mr. Doucet:

Please find attached information requested in your letter on the subject well dated November 29, 2004. The information consists of:

1. a current wellbore diagram
2. a recent casing pressure test verified by completion report and test chart
3. tubing and casing pressure verified by completion report
4. at a cost of over \$26,000, MSC Exploration moved a workover rig on the referenced well to perform the above tests for compliance with the State's requests. A test packer was set above the highest perforations, and the tubing/casing annulus was successfully pressured tested to verify casing integrity.

If there are any questions, please contact me. Thank you the opportunity.

Sincerely,

PPI Technology Services, L. P.

A handwritten signature in black ink, reading 'J. Galan Williams'.

J. Galan Williams, P. E.
Vice President
Project Manager Utah

"A Worldwide Full Service Company"

Ph: 713.464.2200 • Fax: 866.591.4997 • 800 Gessner, Suite 900 • Houston, Texas 77024

MSC EXPLORATION, L. P.

Prospect: State Solaris MSC #1-32
Rig: Sauers #30
Location: Grand Co., UT

Proposed MD: 4,800'
Proposed TVD: 4,800'
Actual TD: 4,630'

Location: Sec. 32, T21S, R19E

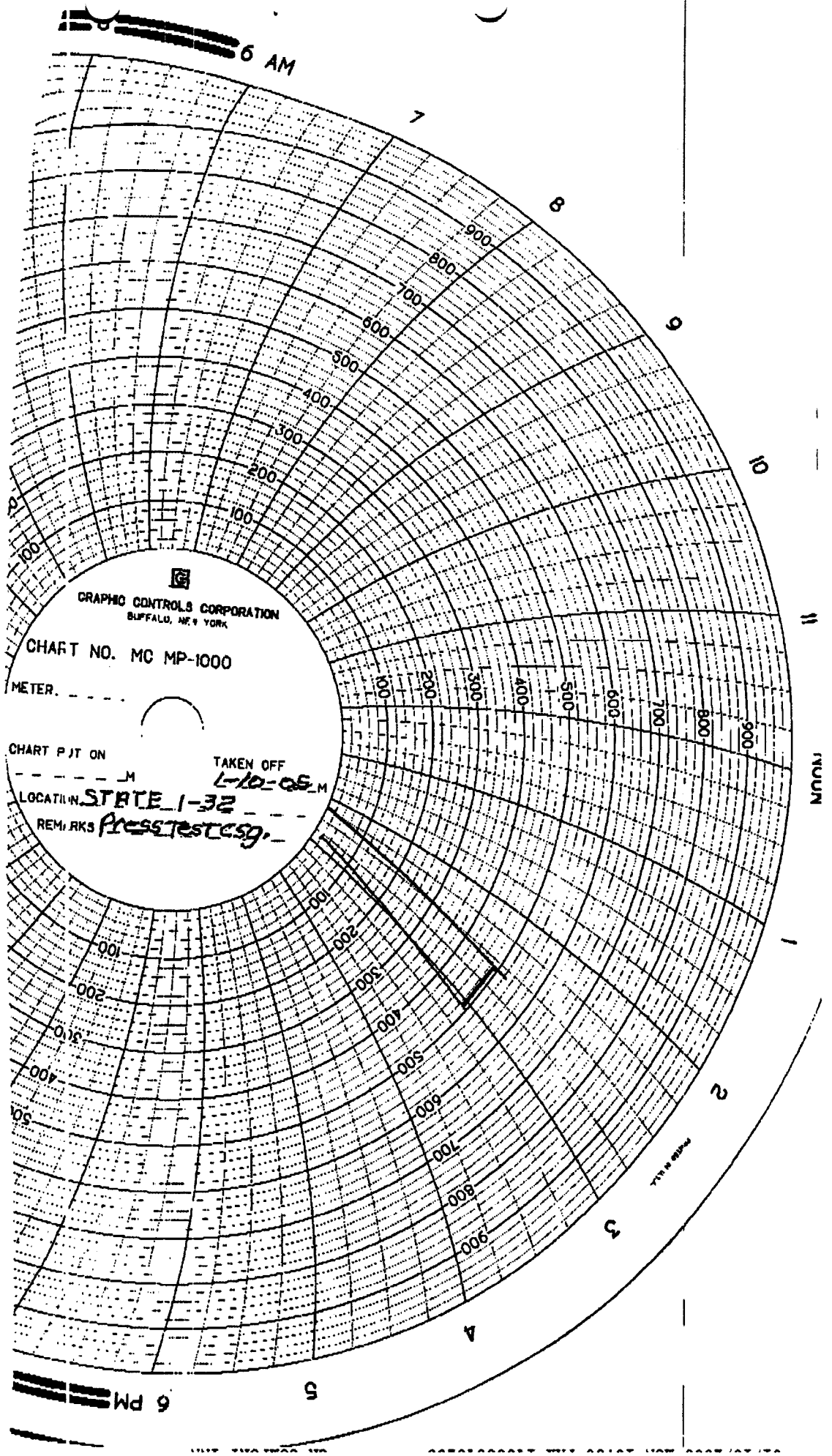
Surface:

Target:

Target:

Primary Target Intervals

Logging MWD / LWD	Targets MD / TVD	MD TVD	Hole Sizes		Casing Strings	Mud Density	Deviation BHST	Cement	
Set with Rathole Company					12-1/4"	8 5/8" 24.0 #/ft J-55 STC	AIR	Vertical	330 sxs Type II 2% CaCl2
		470'							
Bridge Plugs	Perforations								
	3,384'	3,392'					8.7		
	3,400'	3,406'							
	3,408'	3,420'							
3,445'							Water Base		
	3,488'	3,544'					Non Dispersed Mud		
	3,548'	3,612'							
	3,620'	3,672'							
	3,682'	3,704'		2-7/8"					
	3,710'	3,724'		6.5#					
	3,738'	3,792'		J55					
	3,798'	3,806'		8REUE					
3,813'									
	3,824'	3,832'							
	3,840'	3,866'			7-7/8"				
	3,878'	3,882'							
	3,896'	3,906'							
	3,910'	3,922'							
	3,962'	3,996'							
4,030'									
	4,432'	4,356'							
4,390'									
	4,400'	4,432'				5 1/2" 15.50 #/ft J-55 LTC			
	4,494'	4,528'							
		4,630'					9.2		





Block, Lease and Well No. - State MSC Solaris #1-32				Contract Rig Lead #692		DOL 1	DFS	Date on Location 1/7/2005	Completion Date	Report Date Jan 8, 2005
MD 3,445	TYD 3,445	Footage PBTB	AEE No.	AEE Amount \$15,000		Auth. TD.	Company Representative 3,400' Norm Woods			
Present Operation Prep to hot oil rods				Rig Phone: Rig Fax:		254-241-5317		Toolpusher Allen Cermack		

Current Weather	DONR Visit		NPDES	People on Loc.:	5	Last BOP Test Date	RIG ELEVATIONS	
Wind:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	LC50 Sample Date	Operator	1		RKB	11 ft
Seas:	Problem? <input type="checkbox"/> Yes			Contractor	4	Next BOP Test Date	Water Depth	ft
Sky:	No Pass? <input type="checkbox"/> Yes <input type="checkbox"/> No			Service			RKB-CHF	ft

[illegible]

BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade		
											Tooth	Bearing	Gage
Bit Remarks:					Cum. RÖT. Hrs	PU Wt	SO Wt		RÖT Wt		Torque		
Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV		Speed	SPM	Slow Pump Pressures	
								DC	DP	1/4		Pump #1	Pump #2
1										1/2			
2										3/4			

[illegible]

TEST DATA																
	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	P/Mf
PIT																
	Chlorides		Ca++	Smp Temp	F.L Temp	Shaker Screens		Hours		Mud Engineer		Mud Company				
PIT						#1	#2	Desand	Cent.							
						#3	#4	Desilt	Mud Cl	Daily Cost		Cumulative Cost				

[illegible][illegible]



Block Lease and Well No. - State MSC Solaris #1-32						Contract Rig Lead Energy #892		DOL 2	DFS 1/7/2005	Date on Location 1/7/2005	Completion Date	Report Date Jan 9, 2005
MD 4,390	TVD 4,390	Footage PSTD	AEE No.	AEE Amount \$15,000	Auth. TD.		Company Representative					
Present Operation Shut down for Sunday						Rig Phone:	254-241-5317		Toolpusher Allen Cernack			
Current Weather		DONR Visit		NPDES		People on Loc.:		Last BOP Test Date		RIG ELEVATIONS		
Wind:		<input type="checkbox"/> Yes <input type="checkbox"/> No		LC50 Sample Date		Operator				RKB 11 ft		
Seas:		Problem? <input type="checkbox"/> Yes				Contractor		Next BOP Test Date		Water Depth ft		
Sky:		<input type="checkbox"/> No Pass?		<input type="checkbox"/> Yes <input type="checkbox"/> No		Service				RKB-CHF ft		
CASING RECORD												
Casing String	OD	Wt.	Grade	Conn.	Jts. Run	Setting MD	Depth TVD	Liner Top MD	Top TVD	MW when Run	Pres	LOT EMW Leakoff
Conductor	12-3/4"		LP	W	1	20'						
Surface	8 5/8"	24	K55	STC	12	470'				8.6		
Production	5 1/2"	15.5	J55	LTC		4,630'				9.2		
BIT, WEIGHT, SPEED AND HYDRAULICS RECORD												
BIT No	Size	Bit Type and Manufacturer		Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth Bearing Gaps
Bit Remarks:					Cum. ROT Hrs	PU Wt	SO Wt	ROT Wt	Torque			
Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV DC DP	Speed 1/4 3/4	SPM	Slow Pump Pressures Pump #1 Pump #2 Pump #3	
1												
2												
BHA												
Length:		Description:										
MUD DATA												
WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT pH Pm P/MF
PIT												
Chlorides		Cs++	Smpl Temp	F.L. Temp	Shaker Screens		Hours	Mud Engineer		Mud Company		
					#1	#2	Desand Cent.					
					#3	#4	Desilt Mud Cl	Daily Cost		Cumulative Cost		
DIRECTIONAL SURVEYS												
MD	TVD	ANGLE	Direction	Coordinates	VS	DL	CLOSURE					
OPERATIONS SUMMARY												
TIME FROM TO		HOURLY	Time Code	Boats: Supply Boat Name: Crew Boat Name:				Status: Status:				
0600	0730	1.5	28	WO Crew					Time Summary Activity Daily Cum.			
0730	0800	0.5	28	Start rig. LD horses head. RU hot oiler on casing.					2. Cement			
0800	0900	1.0	28	Pumped 50 bbls water down casing @ 220 deg.					1. Mob/DeMob			
0900	1400	5.0	21	Pulled w/ 7/8" rods and pump. Laying down rods. Total of 164 - 7/8" rods and 2 - 4' subs. 2.5 * 20' pump (THD) & 1 1/4" * 20' polish rod and stuffing box. 4100' of rods.					3. Circulate			
1400	1500	1.0	28	Nipple up BOP and Washington stripping head.					4. Directional Work			
1500	1645	1.8	21	Worked on tubing to pull. Worked tubing to unset anchor catcher. Would not come loose.					5. Drilling			
1645	1700	0.3	28	SWI SDFN					6. Drive Pipe			
				SICP - 0 psi					7. Fishing			
				SITP - 0 psi					8. OH Logging			
									9. Lost Circ.			
									10. Drill Cmt./LOT			
									11. N.U./ N.D.			
									12. P.U./L.D. BHA			
									13. P.U./L.D. Pipe			
									14. R/U; R/D 6.5			
									15. Rig Repair			
									16. Run Casing			
									17. Service Rig			
									18. Sidetrack Op.			
									19. Stuck Pipe			
									20. Survey			
									21. Trips 6.75 6.75			
									22. Tst. BOPs			
									23. UR/HO			
									24. W.O.W.			
									25. Wash & Ream			
									26. Well Control			
									27. WOC			
									28. Other 4.25 4.25			
									Total 11 17.5			
Total Hours		11.0							Previous Cost \$6,959			
Rig Downtime		Fuel Usage		Bulk Material on Board					Daily Cost \$6,349			
Daily Cum.		Gals Cum.		Cement: sx Barite: sx					Cum. Cost \$13,308			



MSC Exploration Daily Completion Report

Block, Lease and Well No. - State MSC Solaris #1-32		Contract Rig Lead #892		DOL 3	DFS	Date on Location 1/7/2005	Completion Date	Report Date Jan 10, 2005
MD 4,390	TVD 4,390	Footage PBTD	AFE No.	AFE Amount \$15,000	Auth. TD. 4,400'	Company Representative Norm Woods		
Present Operation Prep to pull packer and tubing				Rig Phone: 254-241-5317		Toolpusher Allen Cernack		

Current Weather	DONR Visit <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	NPDES LC50 Sample Date	People on Loc.: Operator	Last BOP Test Date	RIG ELEVATIONS	
Wind:	Problem? <input type="checkbox"/> Yes <input type="checkbox"/> No	Pass? <input type="checkbox"/> Yes <input type="checkbox"/> No	Contractor	Next BOP Test Date	RKB	11 ft
Seas:			Service		Water Depth	ft
Sky:					RKB-CHF	ft

CASING RECORD

Casing String	OD	WT.	Grade	Conn.	Jts. Run	Setting Depth MD	TVD	Liner Top MD	TVD	MW when Run	Pres	LOT EMW	Leakoff?
Conductor	12-3/4"		LP	W	1	20'							
Surface	8 5/8"	24	K55	STC	12	470'				8.6			
Production	5 1/2"	15.5	J55	LTC		4,630'				9.2			

BIT, WEIGHT, SPEED AND HYDRAULICS RECORD

BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth Bearing Gage		
Bit Remarks:				Cum. ROT: Hrs		PU Wt	SO Wt	ROT Wt	Torque				
Pump No.	Stroke X Liner	Output gpm	SPM	GPM	Pressure	JV	Pb	AV DC DP	Speed 1/4	SPM	Slow Pump Pressures Pump #1 Pump #2 Pump #3		
1									1/2				
2									3/4				

BHA

Length:	Description:

MUD DATA

WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	Pt/Mt
PIT															
Chlorides		Ca++	Smpl Temp	F.L. Temp	Shaker Screens		Hours	Mud Engineer				Mud Company			
PIT					#1	#2	Desand	Cent.							
					#3	#4	Desilt	Mud Cl	Daily Cost			Cumulative Cost			

DIRECTIONAL SURVEYS

MD	TVD	ANGLE	Direction	Coordinates	VS	DL	CLOSURE

OPERATIONS SUMMARY

TIME		HOUR	Time Code	Boats:	Supply Boat Name:	Status:	Status:
FROM	TO						
0600	0600			Shut down for Sunday.			
							Time Summary
							Activity Daily Cum.
							1. Mob/DeMob
							2. Cement
							3. Circulate
							4. Directional Work
							5. Drilling
							6. Drive Pipe
							7. Fishing
							8. OH Logging
							9. Lost Circ.
							10. Drill Cmt./LOT
							11. N.U./ N.D.
							12. P.U./L.D. BHA
							13. P.U./L.D. Pipe
							14. R/U; R/D
							15. Rig Repair
							16. Run Casing
							17. Service Rig
							18. Sidetrack Op.
							19. Stuck Pipe
							20. Survey
							21. Trips
							22. Tst. BOPs
							23. UR/HO
							24. W.O.W.
							25. Wash & Ream
							26. Well Control
							27. WOC
							28. Other
							Total
Total Hours							17.5
Rig Downtime							
Fuel Usage							
Bulk Material on Board							
Previous Cost							\$13,308
Daily	Daily						Daily Cost
Cum.	Cum.						\$2,035
Cum. Cost							\$15,343

MSC Exploration Daily Completion Report

Block Lease and Well No.		Contract Rig		DOL	DSE	Date on Location	Completion Date	Report Date
- State MSC Solaris #1-32		Lead #692		4		1/7/2005		Jan 11, 2005
MD 4,390	TVD 4,390	Footage PSTD	A/E No.	A/E Amount \$15,000	Auth. ID.	Company Representative		
					4,400'	Norm Woods		
Present Operation SD Waiting on rig crew				Rig Phone: Rig Fax:	254-241-5317		Toolpusher Allen Cermack	

Current Weather	DONR Visit		NPDES	People on Loc.:	Last BOP Test Date	RIG ELEVATIONS
Wind:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<u>LC50 Sample Date</u>	Operator		RKB 11 ft
Seas:	Problem?	<input type="checkbox"/> Yes		Contractor	Next BOP Test Date	Water Depth ft
Skv:	<input type="checkbox"/> No	<input type="checkbox"/> Pass?	<input type="checkbox"/> Yes <input type="checkbox"/> No	Service		RKB-CHF ft

CASING RECORD

[illegible]

BIT. WEIGHT. SPEED AND HYDRAULICS RECORD

Borehole Log																						
Borehole Data		Bit Type and Manufacturer		Serial Number		Jets		Depth In		Total Footage		Hrs		WOB		Rpm		Avg ROP		Grade		
BIT No	Size																					
Bit Remarks:										Cum. ROT. Hrs		PU Wt		SO Wt		ROT Wt		Torque				
Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV		Speed	SPM	Slow Pump Pressures										
								DC	DP	1/4		Pump #1	Pump #2	Pump #3								
1										1/2												
2										3/4												

BHA

[illegible]

MUD DATA

MUD DATA																
WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	Pt/Mf	
PIT																
	Chlorides		Ca++	Smp/Temp	F.L. Temp	Shaker Screens		Hours		Mud Engineer			Mud Company			
PIT						#1	#2	Desand	Cent.							
						#3	#4	Desilt	Mud Cl	Daily Cost			Cumulative Cost			

DIRECTIONAL SURVEYS

[illegible]

OPERATIONS SUMMARY

TIME			Boats:		Supply Boat Name: _____		Status: _____	
FROM	TO	HOUR	Time Code	Crew Boat Name: _____			Status: _____	
0600	0730	1.5	28	W/O Crew			Time Summary	
0730	0915	1.8	21	Start rig. TP= 0 psi. Nipple down BOPE to release tension on packer			Activity	Daily Cum.
				Release packer. NU BOPE. LD floor. POOH w/ 2 7/8" tubing. Tallying out. Standing back tubing. 130 jts. Seating nipple (1.1') packer (7.34')			1. Mob/DeMob	
				3 screens (25.19'). Total of 4237'.			2. Cement	
0915	1130	2.3	21	PU 4 3/4" bit (.6'), 2 7/8" * 5" scraper (2.78'), packer (5.05') (BHA - 8.43')			3. Circulate	
1130	1330	2.0	28	TIH w/ tbg. And BHA			4. Directional Work	
				Total of 104 jts 2 7/8" tbg. Total of 3371' KB. Set packer @ 3376'.KB			5. Drilling	
1330	1400	0.5	28	Adler hotoil truck on location w/ water truck. RU Hotoil truck to casing. Pump 10 bbls down casing. Pressure tested to 500 psi for 30 min. OK			6. Drive Pipe	
1400	1430	0.5	28	RD Hot oiler. FL @ 2700' before pumping fluid.			7. Fishing	
1430	1545	1.3	21	POOH with tubing, and BHA standing back. 74 jts (2170') out			8. OH Logging	
1545	1600	0.3	28	SWI SDFN			9. Lost Circ.	
				Location 1-35-. Tubing from Solaris State 21-19 #32-16D was inspected.			10. Drill Cmt./LOT	
				134 jts total			11. N.U./ N.D.	
				2 jts no drift			12. P.U./L.D. BHA	
				15 jts bent			13. P.U./L.D. Pipe	
				12 jts. Bad threads			14. R/U; R/D	6.5
				13 jts bad collars			15. Rig Repair	
				93 jts white band			16. Run Casing	
				ordered 13 new collars. Total of 106 jts of good tubing. 3340' total			17. Service Rig	
				C&R pipe has 7740' of 2 7/8" tubing to deliver Wed. Total pipe 11079' to be on location.			18. Sidetrack Op.	
							19. Stuck Pipe	
							20. Survey	
							21. Trips	5.25 12
							22. Tst. BOPs	
							23. UR/HO	
							24. W.O.W.	
							25. Wash & Ream	
							26. Well Control	
							27. WOC	
							28. Other	4.75 9
							Total	10 27.5
Total Hours		10.0						
Rig Downtime		Fuel Usage		Bulk Material on Board			Previous Cost \$15,343	
Daily	Daily	Gals		Cement: sx			Daily Cost \$5,685	
Cum.	Cum.	Gals		Barite: sx			Cum. Cost \$21,028	



Block, Lease and Well No. - State MSC Solaris #1-32				Contract Rig Lead Energy #692		DOL 5	DFS	Date on Location 1/7/2005	Completion Date	Report Date Jan 12, 2005
MD 4,390	IVD 4,390	Footage PBDT	AEE No.	AEE Amount \$15,000		Auth. TD.	Company Representative			
						3,400'	Norm Woods			
Present Operation Rig down & Move Lead Energy #692				Rig Phone: 254-241-5317		Toolpusher Allen Cernack				

Current Weather	DONR Visit	NPDES	People on Loc.:	5	Last BOP Test Date	RIG ELEVATIONS
Wind:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	LC50 Sample Date	Operator	1		RKB 11 ft
Seas:	Problem? <input type="checkbox"/> Yes		Contractor	4	Next BOP Test Date	Water Depth ft
Skv:	<input type="checkbox"/> No Pass? <input type="checkbox"/> Yes <input type="checkbox"/> No		Service			RKB-CHF ft

[illegible]

BIT		BIT Type and Manufacturer		Serial Number		Jets		Depth In		Total Footage		Hrs		WOB		Rpm		Avg ROP		Grade		
No	Size																			Tooth	Bearing	Gage
Bit Remarks:						Cum. ROT. Hrs		PU Wt		SO Wt		ROT Wt		Torque								
Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV		Speed		SPM	Slow Pump Pressures									
								DC	DP	1/4			Pump #1	Pump #2	Pump #3							
1										1/2												
2										3/4												

[illegible]

TEST DATA																
	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	P/Mf
PIT																
	Chlorides		Ca++		Smp Temp	F.L Temp	Shaker Screens		Hours		Mud Engineer			Mud Company		
PIT							#1	#2	Desand	Cent.						
							#3	#4	Desilt	Mud Cl	Daily Cost		Cumulative Cost			

MD	TVD	ANGLE	Direction	Coordinates	VS	DL	CLOSURE

[illegible]



January 12, 2005

Mr. Dustin Doucet
State of Utah
Department of Natural Resources
1594 W. North Temple, Suite 1210
Salt Lake City, UT 84114

Re: Shut-in and Temporarily Abandoned Well Requirements
MSC Exploration State MSC Solaris #1-32
Grand County, Utah

Dear Mr. Doucet:


Please find attached information requested in your letter on the subject well dated November 29, 2004. The information consists of:

1. a current wellbore diagram
2. a recent casing pressure test verified by completion report and test chart
3. tubing and casing pressure verified by completion report
4. at a cost of over \$26,000, MSC Exploration moved a workover rig on the referenced well to perform the above tests for compliance with the State's requests. A test packer was set above the highest perforations, and the tubing/casing annulus was successfully pressured tested to verify casing integrity.

If there are any questions, please contact me. Thank you the opportunity.

Sincerely,

PPI Technology Services, L. P.


J. Galan Williams, P. E.
Vice President
Project Manager Utah

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MSC Exploration Daily Completion Report

<u>Block, Lease and Well No.</u> - State MSC Solaris #1-32		<u>Contract Rig</u> Leed Energy #692	<u>DOL</u> 2	<u>DFS</u>	<u>Date on Location</u> 1/7/2005	<u>Completion Date</u>	<u>Report Date</u> Jan 9, 2005
<u>MD</u> 4,390	<u>TVD</u> 4,390	<u>Footage</u> PBTD	<u>AFF No.</u>	<u>AFF Amount</u> \$15,000	<u>Auth. TD.</u> 4,400'	<u>Company Representative</u> Norm Woods	
<u>Present Operation</u> Shut down for Sunday			<u>Rig Phone:</u> 254-241-5317		<u>Toolpusher</u> Allen Cermack		
<u>Rig Fax:</u>							

Current Weather	DONR Visit		NPDES	People on Loc.:	Last BOP Test Date	RIG ELEVATIONS	
Wind:	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<u>LC50 Sample Date</u>	Operator		RKB	11 ft
Seas:	Problem? <input type="checkbox"/> Yes			Contractor	Next BOP Test Date	Water Depth	
Skv:	<input type="checkbox"/> No	<input type="checkbox"/> Pass?	<input type="checkbox"/> Yes <input type="checkbox"/> No	Service		RKB-CHF	ft

[illegible]

BIT, WEIGHT, SPEED AND HYDRAULICS RECORD													
BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade		
											Tooth	Bearing	Gage
Bit Remarks:					Cum. ROT Hrs	PU Wt	SO Wt	ROT Wt	Torque				
Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV		Speed	SPM	Slow Pump Pressures	
								DC	DP	1/4		Pump #1	Pump #2
1										1/2			
2										3/4			

[illegible]

MUD DATA																
	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	P/MF
PIT																
	Chlorides		Ca++		Smpl Temp	F.L Temp	Shaker Screens		Hours		Mud Engineer			Mud Company		
PIT							#1	#2	Desand	Cent.						
							#3	#4	Desilt	Mud Cl	Daily Cost		Cumulative Cost			

[illegible]

OPERATIONS SUMMARY					Status: _____	
TIME		Time Code	Boats:	Supply Boat Name: _____		Status: _____
FROM	TO			HOUR	Crew Boat Name:	
0600	0730	1.5	28	WO Crew	Time Summary	
0730	0800	0.5	28	Start rig. LD horses head. RU hot oiler on casing.	Activity	Daily
0800	0900	1.0	28	Pumped 50 bbls water down casing @ 220 deg.	1. Mob/DeMob	
0900	1400	5.0	21	Pulled w/ 7/8" rods and pump. Laying down rods. Total of 164 - 7/8" rods and 2 - 4' subs. 2.5 * 20' pump (THD) & 1 1/4" * 20' polish rod and stuffing box. 4100' of rods.	2. Cement	
					3. Circulate	
					4. Directional Work	
1400	1500	1.0	28	Nipple up BOP and Washington stripping head.	5. Drilling	
1500	1645	1.8	21	Worked on tubing to pull. Worked tubing to unset anchor catcher. Would not come loose.	6. Drive Pipe	
					7. Fishing	
1645	1700	0.3	28	SWI SDFN	8. OH Logging	
					9. Lost Circ.	
				SICP - 0 psi	10. Drill Cmt./LOT	
				SITP - 0 psi	11. N.U./N.D.	
					12. P.U./L.D. BHA	
					13. P.U./L.D. Pipe	
					14. R/U; R/D	6.5
					15. Rig Repair	
					16. Run Casing	
					17. Service Rig	
					18. Sidetrack Op.	
					19. Stuck Pipe	
					20. Survey	
					21. Trips	6.75
					22. Tst. BOPs	6.75
					23. UR/HO	
					24. W.O.W.	
					25. Wash & Ream	
					26. Well Control	
					27. WOC	
					28. Other	4.25
					Total	11
						17.5
Total Hours		11.0				
Rig Downtime			Fuel Usage		Bulk Material on Board	Previous Cost
Daily	Daily		Gals	Cement:	sx	\$6,349
Cum	Cum		Gals	Barite:	sx	\$13,308

MSC Exploration Daily Completion Report

<u>Block, Lease and Well No.</u> - State MSC Solaris #1-32				<u>Contract Rig</u> Leed #092	<u>DOL</u> 3	<u>DFS</u>	<u>Date on Location</u> 1/7/2005	<u>Completion Date</u>	<u>Report Date</u> Jan 10, 2005
<u>MD</u> 4,390	<u>TVD</u> 4,390	<u>Footage</u> PBTD	<u>AEE No.</u>	<u>AEE Amount</u> \$15,000	<u>Auth. TD.</u>	<u>Company Representative</u>			
				4,400'	Norm Woods				
<u>Present Operation</u> Prep to pull packer and tubing				<u>Rig Phone:</u> 254-241-5317	<u>Toolpusher</u> Allen Cermack				

Current Weather	DONR Visit		NPDES	People on Loc.:	Last BOP Test Date	RIG ELEVATIONS	
Wind:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<u>LC50 Sample Date</u>	Operator		RKB	11 ft
Seas:	Problem?		<input type="checkbox"/> Yes	Contractor	Next BOP Test Date	Water Depth	
Sky:	<input type="checkbox"/> No	<input type="checkbox"/> Pass?	<input type="checkbox"/> Yes <input type="checkbox"/> No	Service		RKB-CHF	

[illegible]

BIT, WEIGHT, SPEED AND HYDRAULICS RECORD														
BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade			
											Tooth	Bearing	Gage	
Bit Remarks:					Cum. ROT. Hrs	PU Wt	SO Wt	ROT Wt	Torque					
Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV		Speed	SPM	Slow Pump Pressures		
								DC	DP			1/4	Pump #1	Pump #2
1										1/2				
2										3/4				

BHA	
Length:	Description:

[illegible]

DIRECTIONAL SURVEYS							
MD	TVD	ANGLE	Direction	Coordinates	VS	DL	CLOSURE

OPERATIONS SUMMARY						
TIME		HOURL	Time Code	Boats:	Supply Boat Name:	Status:
FROM	TO					
0600	0600			Shut down for Sunday.		
				Time Summary		
				Activity	Daily	Cum.
				1. Mob/DeMob		
				2. Cement		
				3. Circulate		
				4. Directional Work		
				5. Drilling		
				6. Drive Pipe		
				7. Fishing		
				8. OH Logging		
				9. Lost Circ.		
				10. Drill Cmt./LOT		
				11. N.U./N.D.		
				12. P.U./L.D. BHA		
				13. P.U./L.D. Pipe		
				14. R/U; R/D		6.5
				15. Rig Repair		
				16. Run Casing		
				17. Service Rig		
				18. Sidetrack Op.		
				19. Stuck Pipe		
				20. Survey		
				21. Trips		6.75
				22. Tst. BOPs		
				23. UR/HO		
				24. W.O.W.		
				25. Wash & Ream		
				26. Well Control		
				27. WOC		
				28. Other		4.25
Total Hours				Total		17.5
Rig Downtime		Fuel Usage		Bulk Material on Board		Previous Cost \$13,308
Daily	Daily	Gals	Cement:	sx	Daily Cost	\$2,035
Cum.	Cum.	Gals	Barite:	sx	Cum. Cost	\$15,343

MSC Exploration Daily Completion Report

<u>Block, Lease and Well No.</u> - State MSC Solaris #1-32				<u>Contract Rq</u> Leed #692		<u>DOL</u> 4	<u>DFS</u>	<u>Date on Location</u> 1/7/2005	<u>Completion Date</u>	<u>Report Date</u> Jan 11, 2005
<u>MD</u> 4,390	<u>TVD</u> 4,390	<u>Footage</u> PBTd	<u>A/E No.</u>	<u>A/E Amount</u> \$15,000		<u>Auth. TD.</u> 4,400'		<u>Company Representative</u> Norm Woods		
<u>Present Operation</u> SD Waiting on rio crew				<u>Rig Phone:</u> 254-241-5317		<u>Toolpusher</u> Allen Cermack				
<u>Rig Fax:</u>										

Current Weather	DONR Visit		NPDES	People on Loc.:	Last BOP Test Date	RIG ELEVATIONS	
Wind:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<u>LC50 Sample Date</u>	Operator		RKB	11 ft
Seas:	Problem?	<input type="checkbox"/> Yes		Contractor	Next BOP Test Date	Water Depth	ft
Skv:	<input type="checkbox"/> No	<input type="checkbox"/> Pass?	<input type="checkbox"/> Yes <input type="checkbox"/> No	Service		RKB-CHF	ft

[illegible]

BIT, WEIGHT, SPEED AND HYDRAULICS RECORD														
BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade			
											Tooth	Bearing	Gage	
Bit Remarks:					Cum. ROT Hrs	PU Wt		SO Wt		ROT Wt		Torque		
Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV		Speed	SPM	Slow Pump Pressures		
								DC	DP			Pump #1	Pump #2	Pump #3
1										1/4				
2										1/2				
										3/4				

BHA	
Length:	Description:

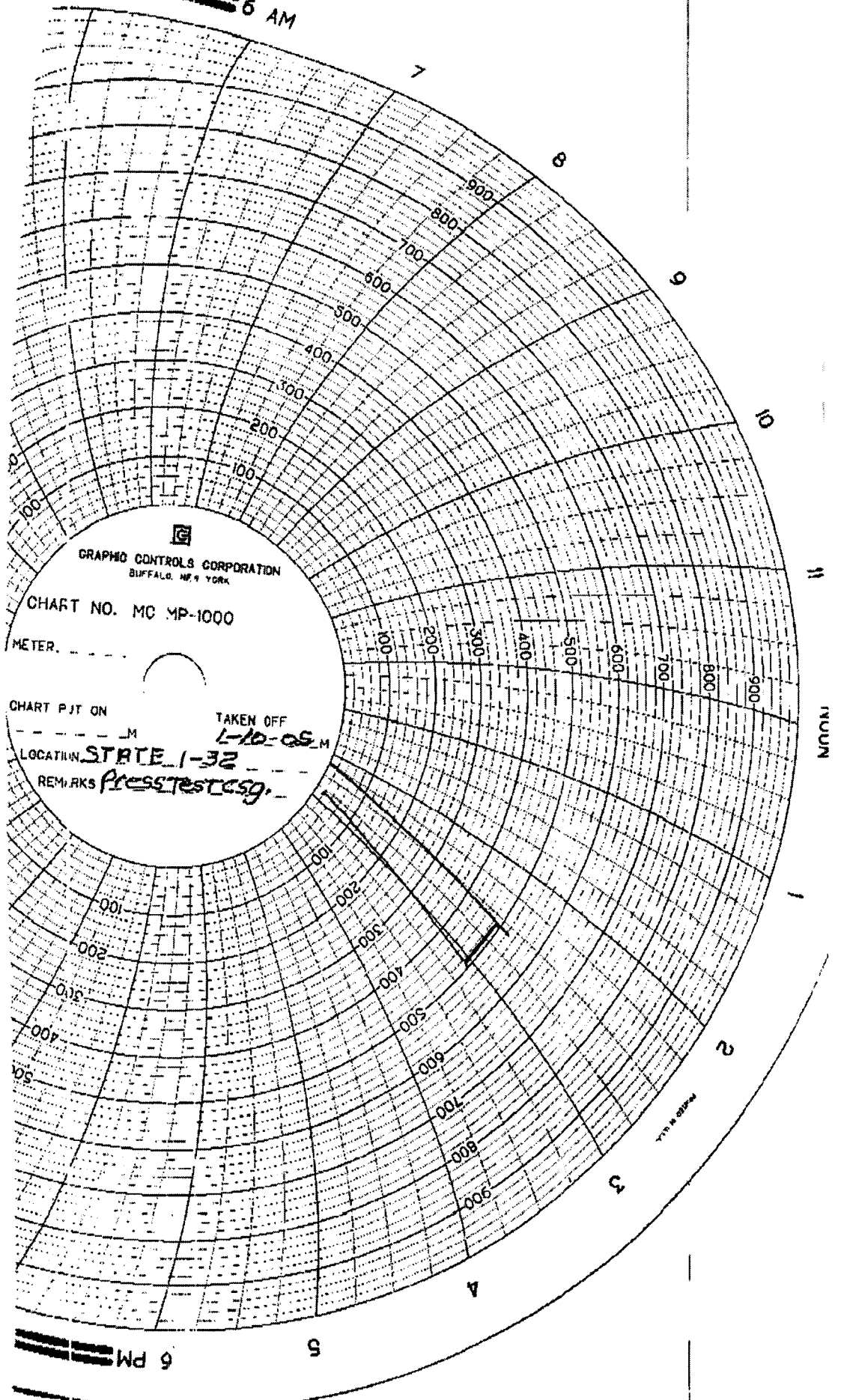
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OPERATIONS SUMMARY							
TIME		Time Code	Boats:	Supply Boat Name: Crew Boat Name:	Status: _____ Status: _____		
FROM	TO				HOUR	Activity	Daily
0600	0730	1.5	28	WO Crew			
0730	0915	1.8	21	Start rig. TP= 0 psi. Nipple down BOPE to release tension on packer Release packer. NU BOPE. LD floor. POOH w/ 2 7/8" tubing. Tallying out. Standing back tubing. 130 jts. Seating nipple (1.1') packer (7.34') 3 screens (25.19'). Total of 4237'.	1. Mob/Demob		
0915	1130	2.3	21	PU 4 3/4" bit (.6'), 2 7/8" * 5" scraper (2.78'), packer (5.05') (BHA - 8.43')	2. Cement		
1130	1330	2.0	28	TIH w/ tbg. And BHA Total of 104 jts 2 7/8" tbg. Total of 3371' KB. Set packer @ 3376' KB	3. Circulate		
1330	1400	0.5	28	Adler hotoil truck on location w/ water truck. RU Hotoil truck to casing. Pump 10 bbls down casing. Pressure tested to 500 psi for 30 min. OK	4. Directional Work		
1400	1430	0.5	28	RD Hot oiler. FL @ 2700' before pumping fluid.	5. Drilling		
1430	1545	1.3	21	POOH with tubing, and BHA standing back. 74 jts (2170') out	6. Drive Pipe		
1545	1600	0.3	28	SWM SDFN	7. Fishing		
				Location 1-35-. Tubing from Solaris State 21-19 #32-16D was inspected.	8. OH Logging		
				134 jts total	9. Lost Circ.		
				2 jts no drift	10. Drill Cmt./LOT		
				15 jts bent	11. N.U./N.D.		
				12 jts. Bad threads	12. P.U./L.D. BHA		
				13 jts bad collars	13. P.U./L.D. Pipe		
				93 jts white band	14. R/U; R/D		6.5
				ordered 13 new collars. Total of 106 jts of good tubing. 3340' total	15. Rig Repair		
				C&R pipe has 7740' of 2 7/8" tubing to deliver Wed. Total pipe 11079'	16. Run Casing		
				to be on location.	17. Service Rig		
					18. Sidetrack Op.		
					19. Stuck Pipe		
					20. Survey		
					21. Trips	5.25	12
					22. Tst. BOPs		
					23. UR/HO		
					24. W.O.W.		
					25. Wash & Ream		
					26. Well Control		
					27. WOC		
					28. Other	4.75	9
Total Hours	10.0				Total	10	27.5
Rig Downtime		Fuel Usage	Bulk Material on Board	Previous Cost	\$15,343		
Daily	Daily	Gals	Cement:	Daily Cost	\$5,885		
Cum.	Cum.	Gals	Barite:	Cum. Cost	\$21,028		



Block, Lease and Well No. - State MSC Solaris #1-32						Contract Rig Lead Energy #692		DOL 5	DFS	Date on Location 1/7/2005	Completion Date	Report Date Jan 12, 2005		
MD 4,390	TVD 4,390	Footage PBDT	AFE No.	AFE Amount \$15,000		Auth. TD.		3,400'		Company Representative Norm Woods				
Present Operation Rig down & Move Lead Energy #692						Rig Phone: Rig Fax:		254-241-5317		Toolpusher Allen Cernack				
Current Weather		DONR Visit <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		NPDES LC50 Sample Date		People on Loc.: Operator		5 1		Last BOP Test Date		RIG ELEVATIONS RKB 11 ft		
Wind:		Problem?		<input type="checkbox"/> Yes <input type="checkbox"/> No		Contractor		4		Next BOP Test Date		Water Depth ft		
Seas:		<input type="checkbox"/> No <input type="checkbox"/> Pass? <input type="checkbox"/> Yes <input type="checkbox"/> No				Service						RKB-CHF ft		
CASING RECORD														
Casing String		OD	Wt.	Grade	Conn.	Jts. Run	Setting Depth MD TVD		Liner Top MD TVD		MW when Run	Pres	LOT EMW Leakoff	
Conductor		12-3/4"		LP	W	1	20'							
Surface		8 5/8"	24	K55	STC	12	470'				8.6			
Production		5 1/2"	15.5	J55	LTC		4,630'				9.2			
BIT, WEIGHT, SPEED AND HYDRAULICS RECORD														
BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth Bearing Gage			
Bit Remarks:				Cum. ROT Hrs	PU Wt	SO Wt	ROT Wt	Torque						
Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV DC DP		Speed	SPM	Slow Pump Pressures Pump #1 Pump #2 Pump #3		
1										1/2				
2										3/4				
BHA														
Length:		Description:												
MUD DATA														
PIT	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT pH Pm P/MF	
		Chlorides	Ca++	Smpl Temp	F.L. Temp	Shaker Screens #1 #2 Desand Cent.		Hours Mud Engineer		Mud Company				
PIT						#3 #4 Desilt Mud Cl		Daily Cost		Cumulative Cost				
DIRECTIONAL SURVEYS														
MD	TVD	ANGLE	Direction	Coordinates	VS	DL	CLOSURE							
OPERATIONS SUMMARY														
TIME FROM TO		HOUR	Time Code	Boats:	Supply Boat Name: Crew Boat Name:		Status: Status:							
0600	0730	1.5	28	WO Crew								Time Summary		
0730	1015	2.8	28	WO Crew. Two men showed up to work.								Activity	Daily	Cum.
1015	1100	0.8	21	TOOH w/ tubing scraper and packer. Standing back tubing. LD packer								1. Mob/DeMob	1	1
1100	1230	1.5	21	TIH with 3" screens, packer and 2 7/8" tubing.								2. Cement		
				130 jts in well. 4237' KB. Packer is not set.								3. Circulate		
1230	1330	1.0	11	ND BOPE and flange up wellhead								4. Directional Work		
1330	1530	2.0	14	RD pulling unit.								5. Drilling		
1530	1630	1.0	1	Chained up unit.								6. Drive Pipe		
				SWI SDFN								7. Fishing		
												8. OH Logging		
												9. Lost Circ.		
				Heavy rain all day. Deliver tank and pump to #35-1. Truck stuck in mud.								10. Drill Cmt./LOT		
				Will move to entrance of 35-1 this morning & wait on freeze. 4" of snow								11. N.U./N.D.	1	1
				on location this AM.								12. P.U./L.D. BHA		
												13. P.U./L.D. Pipe		
												14. R/U; R/D	2	8.5
												15. Rig Repair		
												16. Run Casing		
												17. Service Rig		
												18. Sidetrack Op.		
												19. Stuck Pipe		
												20. Survey		
												21. Trips	2.25	14.25
												22. Tst. BOPs		
												23. UR/HO		
												24. W.O.W.		
												25. Wash & Ream		
												26. Well Control		
												27. WOC		
												28. Other	4.25	13.25
												Total	10.5	38
Total Hours		10.5											Previous Cost \$21,028	
Rig Downtime		Fuel Usage		Bulk Material on Board		Cement: sx							Daily Cost \$4,835	
Daily Cum.		Gals		Barite: sx		Cum. Cost							\$25,863	

5 6 AM



6 PM

MSC EXPLORATION, L. P.

Prospect: State Solaris MSC #1-32
Rig: Sauers #30
Location: Grand Co., UT

Proposed MD: 4,800'
Proposed TVD: 4,800'
Actual TD: 4,630'

Location: Sec. 32, T21S, R19E
Surface:
Target:
Target:

Primary Target Intervals

Logging MWD / LWD	Targets MD / TVD	MD TVD	Hole Sizes	Casing Strings	Mud Density	Deviation BHST	Cement
Set with Rathole Company							
		470'		12-1/4" 8 5/8" 24.0 #/ft J-55 STC	AIR	Vertical	330 sxs Type II 2% CaCl2
Bridge Plugs	Perforations				8.7		
	3,384'	3,392'					
	3,400'	3,406'					
	3,408'	3,420'					
3,445'							
	3,488'	3,544'				Water Base	
	3,548'	3,612'				Non Dispersed Mud	
	3,620'	3,672'					
	3,682'	3,704'					
	3,710'	3,724'	2-7/8" 6.5# J55 8REUE				
	3,738'	3,792'					
	3,798'	3,806'					
3,813'							
	3,824'	3,832'					
	3,840'	3,866'					
	3,878'	3,882'					
	3,896'	3,906'					
	3,910'	3,922'					
	3,962'	3,996'					
4,030'							
	4,432'	4,356'					
4,390'							
	4,400'	4,432'					
	4,494'	4,528'					
		4,630'					
				5 1/2" 15.50 #/ft J-55 LTC	9.2		

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER:
2. NAME OF OPERATOR: <u>Solaris Exploration Corp.</u>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: <u>N/A</u>
3. ADDRESS OF OPERATOR: <u>16800 Imperial Valley Dr. Houston TX 77060</u>		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: _____ QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <u>T 21S R 19E S-32</u>		8. WELL NAME and NUMBER: <u>Solaris State 1-32</u>
PHONE NUMBER: <u>3819318933</u>		9. API NUMBER: <u>43-019-31394</u>
		10. FIELD AND POOL, OR WILDCAT: <u>Wildcat</u>
		COUNTY: <u>Grand</u>
		STATE: <u>UTAH</u>

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Eng. Report</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

See Attached

NAME (PLEASE PRINT) Lynn Faust TITLE VP
SIGNATURE L Faust DATE 1-12-05

(This space for State use only)

INSTRUCTIONS

This form shall be submitted by the operator to show the intention and/or completion of the following:

- miscellaneous work projects and actions for which other specific report forms do not exist;
- all other work and events as identified in section 11, Type of Action, or as required by the Utah Oil and Gas

Conservation General Rules, including:

- minor deepening of an existing well bore,
- plugging back a well,
- recompleting to a different producing formation within an existing well bore (intent only),
- reperforating the current producing formation,
- drilling a sidetrack to repair a well,
- reporting monthly the status of each drilling well.

This form is not to be used for proposals to

- drill new wells,
- reenter previously plugged and abandoned wells,
- significantly deepen existing wells below their current bottom-hole depth,
- drill horizontal laterals from an existing well bore,
- drill hydrocarbon exploratory holes such as core samples and stratigraphic tests.

Use Form 3, Application for Permit to Drill (APD) for such proposals.

NOTICE OF INTENT - A notice of intention to do work on a well or to change plans previously approved shall be submitted in duplicate and must be received and approved by the division before the work is commenced. The operator is responsible for receipt of the notice by the division in ample time for proper consideration and action. In cases of emergency, the operator may obtain verbal approval to commence work. Within five days after receiving verbal approval, the operator shall submit a Sundry Notice describing the work and acknowledging the verbal approval.

SUBSEQUENT REPORT - A subsequent report shall be submitted to the division within 30 days of the completion of the outlined work. Specific details of the work performed should be provided, including dates, well depths, placement of plugs, etc.

WELL ABANDONMENT - Proposals to abandon a well and subsequent reports of abandonment should include reasons for the abandonment; data on any former or present productive zones, or other zones with present significant fluid contents not sealed off by cement or otherwise; depths (top and bottom) and method of placement of cement plugs; mud or other material placed below, between and above plugs; amount, size, and method of parting of any casing, liner, or tubing pulled and the depth to top of any left in the hole; method of closing top of well; and date well site conditioned for final inspection looking to approval of the abandonment.

In addition to any Sundry Notice forms submitted, **Form 8, Well Completion or Recompletion Report and Log** must be submitted to the division to report the results of the following operations:

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- significantly deepening an existing well bore below the current bottom-hole depth,
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- recompleting to a different producing formation.

Send to:

Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

Phone: 801-538-5340

Fax: 801-359-3940

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

014

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: <u>ML-47441</u>
2. NAME OF OPERATOR: <u>Solaris Exploration Corp.</u>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: <u>N/A</u>
3. ADDRESS OF OPERATOR: <u>16800 Imperial Valley Dr. Ste 380 Houston TX 77060</u>		7. UNIT or CA AGREEMENT NAME: _____
4. LOCATION OF WELL <u>STATE Houston TX</u>		8. WELL NAME and NUMBER: <u>Solaris State 1-32</u>
FOOTAGES AT SURFACE: _____		9. API NUMBER: <u>43-019-31394</u>
QTR/CTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <u>32 915 19E S</u>		10. FIELD AND POOL, OR WILDCAT: <u>Wildcat</u>
COUNTY: <u>Grand</u>		STATE: <u>UTAH</u>

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
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	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
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	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Eng. Report</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

See Attached

NAME (PLEASE PRINT) <u>hym Faust</u>	TITLE <u>VP</u>
SIGNATURE <u>[Signature]</u>	DATE <u>1-12-05</u>

(This space for State use only)

(5/2000)

(See Instructions on Reverse Side)

RECEIVED
JAN 12 2005
DIV. OF OIL, GAS & MINING

INSTRUCTIONS

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STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: ML 47441
2. NAME OF OPERATOR: MSC Exploration LP N2595		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 16800 Imperial Valley Dr. Houston TX 77060		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2073' FSL, 649' FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESE 32 21S 19E		8. WELL NAME and NUMBER: State 1-32
PHONE NUMBER: 281 931 8933		9. API NUMBER: 43-019-31394
		10. FIELD AND POOL, OR WILDCAT: Wildcat
		COUNTY: GRAND
		STATE: UTAH

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TYPE OF SUBMISSION	TYPE OF ACTION		
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	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Effective Date: 6-4-04

Bond # 6801331643
ER 3/28/05

RECEIVED

JAN 31 2005

DIV. OF OIL, GAS & MINING

* Lynn Faust for Solaris Exploration, Corp. N2230 Vice President
L Faust 1-29-05

MSC
* NAME (PLEASE PRINT) Lynn Faust for MSC Exploration LP TITLE Administrator
SIGNATURE L Faust DATE 1-29-05

(This space for State use only)

APPROVED 3/28/05
ERussell
Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

OPERATOR CHANGE WORKSHEET

015

X Change of Operator (Well Sold)

ROUTING

1. GLH

2. CDW

3. FILE

Designation of Agent/Operator

Operator Name Change

Merger

The operator of the well(s) listed below has changed, effective:

6/4/04

FROM: (Old Operator):

N2230-Solaris Exploration Corp

16800 Imperial Valley Dr, Suite 380

Houston, TX 77060

Phone: 1-(281) 931-8933

TO: (New Operator):

N2595-MSC Exploration, LP

16800 Imperial Valley Dr, Suite 380

Houston, TX 77060

Phone: 1-(281) 931-8933

CA No.

Unit:

WELL(S)

[illegible]

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

1. (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 1/31/2005
2. (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 1/31/2005

3. The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 5/10/2004
4. Is the new operator registered in the State of Utah: YES Business Number: 5630131-0181
5. If **NO**, the operator was contacted contacted on:

- | | |
|--|-----------------|
| 6a. (R649-9-2)Waste Management Plan has been received on: | IN PLACE |
| 6b. Inspections of LA PA state/fee well sites complete on: | n/a |

7. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM BIA

8. **Federal and Indian Units:**

The BLM or BIA has approved the successor of unit operator for wells listed on: _____

9. **Federal and Indian Communization Agreements ("CA"):**

The BLM or BIA has approved the operator for all wells listed within a CA on: _____

10. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: _____

DATA ENTRY:

1. Changes entered in the **Oil and Gas Database** on: 3/28/2005
2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 3/28/2005
3. Bond information entered in RBDMS on: 3/28/2005
4. Fee/State wells attached to bond in RBDMS on: 3/28/2005
5. Injection Projects to new operator in RBDMS on: n/a
6. Receipt of Acceptance of Drilling Procedures for APD/New on: n/a

FEDERAL WELL(S) BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: _____

INDIAN WELL(S) BOND VERIFICATION:

1. Indian well(s) covered by Bond Number: _____

FEE & STATE WELL(S) BOND VERIFICATION:

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number 6801331643
2. The **FORMER** operator has requested a release of liability from their bond on: n/a
The Division sent response by letter on: TLA bond reduced

LEASE INTEREST OWNER NOTIFICATION:

3. (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: n/a

COMMENTS:



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

MARY ANN WRIGHT
Acting Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

February 14, 2005

Lynn Faust
Solaris Exploration Corporation
16800 Imperial Valley Drive, Suite 380
Houston, Texas 77060

Re: Approval for Extended Shut-in or Temporarily Abandoned Status

Dear Ms. Faust:

This correspondence is in response to your subsequent sundry dated January 12, 2005 (received by the Division of Oil, Gas and Mining ("the Division") on that same date via fax) regarding an MIT done on the State #1-32 well on January 11, 2005. It is the Division's understanding that Solaris plans on drilling this well horizontally in the near future (Note: An Application for Permit to Drill will need to be approved prior to commencing with this action). Periodic monitoring of pressures and fluid levels should be done to verify continued casing integrity.

Based on the information submitted and conditioned on periodic monitoring and documenting of pressures and fluid level for these wells, the Division grants a one (1) year extension for the State # 1-32 well, API # 43-019-31394, until January 11, 2006. The documented information for these wells should be submitted to the Division at the end of the year for review. An extension may be reapplied for at that time if necessary. However, if pressures or fluid levels change significantly during the year please inform the Division immediately. Corrective action may be necessary.

T.215 R.19E S.32

If you have any questions or need additional assistance in regards to this matter please contact me at (801) 538-5281.

Sincerely,

Dustin K. Doucet
Petroleum Engineer

jc
cc: John Baza
Well File
SITLA

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____	5. LEASE DESIGNATION AND SERIAL NUMBER: ML 46760
2. NAME OF OPERATOR: Solaris Exploration, Corp.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 16800 Imperial Valley Dr. Ste 380 Houston, TX 77060	7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: QTR/CTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: 32 215 9 E	8. WELL NAME and NUMBER: ST 1-32 ST 21-19 (32-160)
PHONE NUMBER: 281-931-8933	9. API NUMBER: 043-019-31394 043-019-21399
	10. FIELD AND POOL OR WILDCAT: Wildcat

COUNTY: GRAND

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input checked="" type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Pls change Operator to:
MSC Exploration, LP
16800 Imperial Valley Dr.
Ste 380
Houston, TX 77060

RECEIVED

MAR 23 2005

DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) Lyon Faust TITLE Administrator
SIGNATURE L Faust DATE 3-23-05

(This space for State use only)

(5/2000)

(See instructions on Reverse Side)

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER ML47441
2. NAME OF OPERATOR Tidewater Oil & Gas, LLC		6. IF INDIAN, ALLOTTEE OR TRIBE NAME
3. ADDRESS OF OPERATOR 1645 Court Pl., Suite 310 Denver CO 80202		7. UNIT or CA AGREEMENT NAME
4. LOCATION OF WELL FOOTAGES AT SURFACE 2073 FSL, 549 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE MERIDIAN S2N2 32 21S 19E		8. WELL NAME and NUMBER State MSC SOLARIS 1- 32
PHONE NUMBER (303) 468-0656		9. API NUMBER 4301931394
		10. FIELD AND POOL, OR WILDCAT WILDCAT
		COUNTY GRAND
		STATE UTAH

CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start 8/31/2006	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input checked="" type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

1. Move in rig.
2. Pull tubing.
3. Set cement retainer at 3334'. (above Navajo).
4. Squeeze cement 40 sxs cement through retainer. Pull out of retainer and leave 12 sxs cement on top of retainer.
5. Pull tubing to 520'. Balance pump 12 sx of cement from 520' to 470'.
6. Pull tubing to 100'. Place 12 sxs cement to surface.
6. Cut of casing 4 ft. below surface. Weld on plate and dry hole marker.
7. Restore surface.

APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING

DATE: 8/30/2006
BY: Clinton L. Dumas

See Conditions of Approval

NAME (PLEASE PRINT) R.E. KNIGHT
SIGNATURE RE Knight

TITLE AGENT
DATE 8/28/2006

(This space for State use only)

AUG 29 2006



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

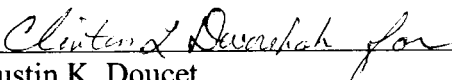
GARY R. HERBERT
Lieutenant Governor

CONDITIONS OF APPROVAL TO PLUG AND ABANDON WELL

Well Name and Number: State MSC Solaris 1-32
API Number: 43-019-31394
Operator: Tidewater Oil & Gas, LLC
Reference Document: Original Sundry Notice Dated August 28, 2006
Received by DOGM on August 29, 2006

Approval Conditions:

1. Notify the Division at least 24 hours prior to conducting abandonment operations. Please call Dan Jarvis at 801-538-5338.
2. CHANGE STEP #5 – 100 ft balanced plug from +/- 510' – 410' (R649-3-24.3.6).
3. All intervals between plugs shall be filled with noncorrosive fluid.
4. Balanced plugs shall be tagged to ensure the plugs are at the depths specified in the proposal.
5. Surface reclamation shall be done in accordance with R649-3-34 – Well Site Restoration. Evidence of compliance with this rule should be supplied to the Division upon completion of reclamation.
6. All requirements in the Oil and Gas Conservation General Rule R649-3-24 shall apply.
7. If there are any changes to the plugging procedure or the wellbore configuration, notify Dustin Doucet at 801-538-5281 prior to continuing with the procedure.
8. All other requirements for notice and reporting in the Oil and Gas Conservation General Rules shall apply.


Dustin K. Doucet
Petroleum Engineer

August 29, 2006
Date

Wellbore Diagram

API Well No: 43-019-31394-00-00

Permit No:

Well Name/No: STATE 1-32

Company Name: MSC EXPLORATION, LP

Location: Sec: 32 T: 21S R: 19E Spot: NESE

Coordinates: X: 600932 Y: 4310676

Field Name: WILDCAT

County Name: GRAND

String Information

String	Bottom (ft sub)	Diameter (inches)	Weight (lb/ft)	Length (ft)
HOL1	461	12.25		
SURF	461	8.625	24	461
HOL2	4630	7.875		
PROD	4630	5.5	15.5	464
TI	4338	2.875		
PKR	3911			

Surface plug
 $100 / (7.483)(1.15) = 12 \text{ sks}$

Cement from 461 ft. to surface

Surface: 8.625 in. @ 461 ft.

Hole: 12.25 in. @ 461 ft.

Cement from 464 ft. to surface

plug #2 510-410 (changed plug Depth)
 $100 / (7.483)(1.15) = 12 \text{ sks}$

Cement Information

String	BOC (ft sub)	TOC (ft sub)	Class	Sacks
PROD	464	0		
SURF	461	0	UK	330

Perforation Information

Formation Information

Formation	Depth
DKTA	2418
MORN	3012
SLTW	3226
CARM	3250
NAVA	3334
KAYT	3840
WING	4058
CHIN	4632



OK
 Plug 1
 circ @ 3334'
 above $(12)(7.483)(1.15) = 103'$
 below $(40)(7.483)(1.15) = 344'$

Packer: @ 3911 ft.

Tubing: 2.875 in. @ 4338 ft.

Production: 5.5 in. @ 4630 ft.

Hole: 7.875 in. @ 4630 ft.

TD: 4630 TVD: 4630 PBD: 4580

RECEIVED

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

APR 03 2003

AMENDED REPORT ☐
(highlight changes)

FORM 8

OFFICE OF LAS & MNG

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a TYPE OF WELL:		OIL WELL <input checked="" type="checkbox"/>		GAS WELL <input type="checkbox"/>		DRY <input type="checkbox"/>		OTHER _____		7 UNIT or CA AGREEMENT NAME									
b TYPE OF WORK:		NEW WELL <input type="checkbox"/>		HORIZ LATS. <input type="checkbox"/>		DEEP-EN <input type="checkbox"/>		RE-ENTRY <input type="checkbox"/>		DIT. RESVR <input type="checkbox"/>		OTHER _____		8 WELL NAME AND NUMBER: Solaris State #1-32					
2 NAME OF OPERATOR: Solaris Exploration										9 API NUMBER: 4301931394		10 FIELD AND POOL, OR WILDCAT Wildcat							
3 ADDRESS OF OPERATOR: 16800 Imperial Valley Dr. CITY Houston TX ZIP 77060										PHONE NUMBER: (281) 931-8933		11 QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENE 32 21S 19E							
4 LOCATION OF WELL (FOOTAGES) 6 4 7 AT SURFACE: 2073' FSL 549' FEL AT TOP PRODUCING INTERVAL REPORTED BELOW: 2073' FSL 549' FEL AT TOTAL DEPTH: 2073' FSL 549' FEL										12 COUNTY Grand		13 STATE UTAH							
14 DATE SPUNDED: 9/7/2002		15 DATE T.D. REACHED 9/29/2002		16 DATE COMPLETED: 1/4/2003		ABANDONED <input type="checkbox"/>		READY TO PRODUCE <input checked="" type="checkbox"/>		17 ELEVATIONS (DF, RKB, RT, GL): GL. 4896', KB 4907'									
18 TOTAL DEPTH: MD 4,630 TVD 4,630		19 PLUG BACK T.D. MD 4,580 TVD		20 IF MULTIPLE COMPLETIONS, HOW MANY? * Co-mingled Kaye		21 DEPTH BRIDGE MD PLUG SET: TVD													
22 TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each) Neutron-Density, Dual Induction, GR, Caliper, ML, Sonic Dipmeter Caliper. (Case Hole) Temp, Spinner,						23 WAS WELL CORED? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit analysis) WAS DST RUN? NO <input type="checkbox"/> YES <input checked="" type="checkbox"/> (Submit report) DIRECTIONAL SURVEY? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit copy)													
24. CASING AND LINER RECORD (Report all strings set in well)																			
HOLE SIZE		SIZE/GRADE		WEIGHT (#/FT)		TOP (MD)		BOTTOM (MD)		STAGE CEMENTER DEPTH		CEMENT TYPE & NO. OF SACKS		SLURRY VOLUME (BBL)		CEMENT TOP **		AMOUNT PULLED	
12 1/4"		8 5/8		24		0		461				Type II 330		69		Surface			
7 7/8"		5 1/2		15.5		0		464				Lite 260		177		Surface			
												G 760		164					
25. TUBING RECORD																			
SIZE		DEPTH SET (MD)		PACKER SET (MD)		SIZE		DEPTH SET (MD)		PACKER SET (MD)		SIZE		DEPTH SET (MD)		PACKER SET (MD)			
2 7/8		4,338		3,911															
26. PRODUCING INTERVALS										27. PERFORATION RECORD									
FORMATION NAME		TOP (MD)		BOTTOM (MD)		TOP (TVD)		BOTTOM (TVD)		INTERVAL (Top/Bot - MD)		SIZE		NO. HOLES		PERFORATION STATUS			
(A) Kayenta		3,840		4,058						3,962 3,996		.45		204		Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>			
(B) Wingate		4,058		4,528						4,056 4,528		.43		504		Open <input checked="" type="checkbox"/> Squeezed <input checked="" type="checkbox"/>			
(C)																Open <input type="checkbox"/> Squeezed <input type="checkbox"/>			
(D)																Open <input type="checkbox"/> Squeezed <input type="checkbox"/>			
28. ACID, FRACTURE, TREATMENT, CEMENT SQUEEZE, ETC.																			
DEPTH INTERVAL		AMOUNT AND TYPE OF MATERIAL																	
		See Attached Acidizing, Fracture & Squeeze Record																	
29. ENCLOSED ATTACHMENTS:														30. WELL STATUS:					
<input checked="" type="checkbox"/> ELECTRICAL/MECHANICAL LOGS				<input checked="" type="checkbox"/> GEOLOGIC REPORT				<input checked="" type="checkbox"/> DST REPORT				<input type="checkbox"/> DIRECTIONAL SURVEY				hut-in Pending			
<input type="checkbox"/> SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION				<input type="checkbox"/> CORE ANALYSIS				<input type="checkbox"/> OTHER: _____											

MSC EXPLORATION, L. P.

Prospect: State Solaris MSC #1-32
Rig: Sauers #30
Location: Grand Co., UT

Proposed MD: 4,800'
Proposed TVD: 4,800'
Actual TD: 4,630'

Location: Sec. 32, T21S, R19E
Surface:
Target:
Target:

Primary Target Intervals

Logging MWD / LWD	Targets MD / TVD	MD TVD	Hole Sizes	Casing Strings	Mud Density	Deviation BHST	Cement
Set with Rathole Company							
		470'		12-1/4"	8 5/8" 24.0 #/ft J-55 STC	AIR	Vertical 330 sxs Type II 2% CaCl2
Bridge Plugs	Perforations					8.7	
	3,384'	3,392'					
	3,400'	3,406'					
	3,408'	3,420'					
3,445'						Water Base	
	3,488'	3,544'				Non Dispersed Mud	
	3,548'	3,612'					
	3,620'	3,672'					
	3,682'	3,704'					
	3,710'	3,724'					
	3,738'	3,792'					
	3,798'	3,806'					
3,813'							
	3,824'	3,832'					
	3,840'	3,886'					
	3,878'	3,882'					
	3,896'	3,906'					
	3,910'	3,922'					
	3,962'	3,996'					
4,030'							
	4,432'	4,356'					
4,390'							
	4,400'	4,432'					
	4,494'	4,528'					
		4,630'				9.2	
				5 1/2" 15.50 #/ft J-55 LTC			

31. INITIAL PRODUCTION

INTERVAL A (As shown in Item #26)

DATE FIRST PRODUCED: 1/3/2003	TEST DATE: 1/3/2003	HOURS TESTED: 24	TEST PRODUCTION RATES: →	OIL - BBL: 35	GAS - MCF: 0	WATER - BBL: 65	PROD. METHOD: Rod Pump
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS. 0	API GRAVITY 42.00	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	INTERVAL STATUS:

INTERVAL B (As shown in Item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	INTERVAL STATUS:

INTERVAL C (As shown in Item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	INTERVAL STATUS:

INTERVAL D (As shown in Item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	INTERVAL STATUS:

32. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, Etc.)

Flared

33. SUMMARY OF POROUS ZONES (Include Aquifers):

Show all important zones of porosity and contents thereof. Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
Navajo	3,384	3,428	Oil-bearing Porosity	Mancos	0
Navajo	3,428	3,922	Water-bearing Porosity	Dakota	2,718
Kayenta	3,962	3,996	Oil / Water Bearing Porosity	Morrison	3,012
Wingate	4,058	4,064	Oil / Water Bearing Porosity	Salt Wash	3,226
Wingate	4,246	4,272	Oil / Water Bearing Porosity	Carmel	3,250
Wingate	4,332	4,356	Oil / Water Bearing Porosity	Navajo	3,334
Wingate	4,494	4,528	Oil / Water Bearing Porosity	Kayenta	3,840
DST #1	4,236	4,272	See Attached DST Report	Wingate	4,058
DST #2	4,496	4,521	See Attached DST Report	Chinle	4,632

35. ADDITIONAL REMARKS (Include plugging procedure)

Well is currently shut-in, pending evaluation of horizontal drilling in the upper Navajo Sandstone.

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

NAME (PLEASE PRINT) A.W. AllredTITLE AgentSIGNATURE [Signature]DATE 04/02/03

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation

- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

** ITEM 24: Cement Top - Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to: Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

Phone: 801-538-5340

Fax: 801-359-3940

COMP REPORT 3-31-03

Solaris State #1-32 Perforations

Original Perforations					
Top	Bottom	Feet	Hole Dia	SPF	Formation
3384	3438	54	0.41	4	Navajo
3462	3486	24	0.41	4	Navajo
3488	3544	56	0.41	4	Navajo
3548	3612	64	0.41	4	Navajo
3620	3672	52	0.41	4	Navajo
3682	3704	22	0.41	4	Navajo
3710	3724	14	0.41	4	Navajo
3738	3792	54	0.41	4	Navajo
3798	3804	6	0.41	4	Navajo
3824	3838	14	0.41	4	Navajo
3840	3866	26	0.41	4	Kayenta
3878	3882	4	0.41	4	Kayenta
3896	3906	10	0.41	4	Kayenta
3910	3922	12	0.41	4	Kayenta
3962	3996	34	0.41	4	Kayenta
4056	4066	10	0.43	4	Wingate
4246	4272	26	0.43	4	Wingate
4332	4356	24	0.43	4	Wingate
4400	4432	32	0.43	4	Wingate
4494	4528	34	0.43	4	Wingate

Re-Perforated Intervals					
Top	Bottom	Feet	Hole Dia	SPF	Formation
3384	3392	8	0.45	2	Navajo
3400	3406	6	0.45	2	Navajo
3408	3420	12	0.45	2	Navajo

Re-Perforated Intervals					
Top	Bottom	Feet	Hole Dia	SPF	Formation
3962	3996	34	0.45	2	Kayenta

Squeezed Intervals					
Top	Bottom	Feet	Hole Dia	SPF	Formation
4246	4272	26	0.45	2	Wingate

Solaris State #1- 32 Frac Data

Top	Bottom	Feet	Hole Dia	SPF	Formation	Type	Size	lbs	KCL %	Base	X-link	Vol, gal
3962	3996	34	0.41	4	Kayenta	Ottawa	20-40	42500	3	Guar	Borate	20000
4056	4066	10	0.43	4	Wingate							
4246	4272	26	0.43	4	Wingate	Ottawa	20-40	99500	3	Guar	Borate	42000
4332	4356	24	0.43	4	Wingate							
4400	4432	32	0.43	4	Wingate	Ottawa	20-40	99500	3	Guar	Borate	42000
4494	4528	34	0.43	4	Wingate							

Frac'd Wingate perforations 4400'-4432' & 4494'-4528' w/ 99,500 lbs 20-40 Ottawa sand 1-5 ppg in 1 ppg increments, & 42,000 gal of BJ service's Viking 1D 2500 fluid (3% KCl Borate X-linked guar gel) @ 24.9 - 24.7 BPM, 3248-3040-3471 psi. Initial break @ 3818 psi-16 BPM. ISIP-1720 psi, 5 min-1542 psi, 10 min-1396 psi. 120 F break on gel samples. Pressure up annulus & stung out of modified Lok-Set packer @ 4374'. P.O.O.H.

R.I.H. w/ Baker modified Lok-Set packer and retrievematic packer in tandem. Set Lok Set pkr @ 4154' (4158' EOT). Frac'd Wingate perforations 4246'-4272' & 4332'-4356' w/ 99,500 lbs 20-40 Ottawa sand 1-5 ppg in 1 ppg increments, & 42,000 gal of BJ Svc's Viking 1D 2500 fluid (3% KCl Borate X-link guar gel) @ 24.8-24.7-24.8 BPM, 3714-3027-3211 psi. Initial break @ 4221 psi-11.4 BPM. ISIP-1510 psi, 5 min-1421 psi, 10 min-1367 psi. 120 F break on gel smpls. Stung out of modified Lok-Set pkr @ 4154'. Pulled up & set retrievematic packer @ 3935' in 20,000# compression.

Frac'd Wingate-Kayenta perfs. 3962'-3996' & 4056'-4066' w/ 42,500 lbs 20-40 Ottawa sand from 1-5 ppg in 1ppg increments, & 20,000 gal of BJ Service's Viking 1D 2500 fluid (3% KCl Borate X-linked guar gel) @ 12.7-24.8 BPM, 4828-5208-4712 psi. Initial break @ 5137 psi-13 BPM. ISIP-2220 psi, 5 min-1877 psi, 10 min-1773 psi, 15 min-1717 psi, 20 min-1668 psi, 25 min-1627 psi, 30 min-1588, 35 min-1537 psi, 40 min-1515 psi. 120 F break on gel samples.

COMP REPORT 3-31-03

Solaris State #1-32 Acid Jobs

Original Perforations									
Top	Bottom	Feet	Hole Dia	SPF	Formation	Acid	Conc-%	Vol, gal	Date
3384	3438	54	0.41	4	Navajo	One-Shot	7.5	17500	10/19/02
3462	3486	24	0.41	4	Navajo				
3488	3544	56	0.41	4	Navajo				
3548	3612	64	0.41	4	Navajo				
3620	3672	52	0.41	4	Navajo				
3682	3704	22	0.41	4	Navajo				
3710	3724	14	0.41	4	Navajo				
3738	3792	54	0.41	4	Navajo				
3798	3804	6	0.41	4	Navajo				
3824	3838	14	0.41	4	Navajo	One-Shot	7.5	5670	10/16/02
3840	3866	26	0.41	4	Kayenta				
3878	3882	4	0.41	4	Kayenta				
3896	3906	10	0.41	4	Kayenta				
3910	3922	12	0.41	4	Kayenta				
3962	3996	34	0.41	4	Kayenta				
4056	4066	10	0.43	4	Wingate				
4246	4272	26	0.43	4	Wingate	HCl	7.5	1000	10/14/02
4332	4356	24	0.43	4	Wingate	HCl	7.5	1000	10/13/02
4400	4432	32	0.43	4	Wingate				
4494	4528	34	0.43	4	Wingate	HCl	7.5	1500	10/11/02
						Acid	Conc-%	Vol, gal	Date
						HCl	7.5	500	10/12/02

Re-Perforated Intervals									
Top	Bottom	Feet	Hole Dia	SPF	Formation	Acid	Conc-%	Vol, gal	Date
3384	3392	8	0.45	2	Navajo	One-Shot	7.5	1300	10/24/02
3400	3406	6	0.45	2	Navajo				
3408	3420	12	0.45	2	Navajo				

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3

DESIGNATION OF AGENT OR OPERATOR

The undersigned is, on record, the holder of oil and gas lease

LEASE NAME: _____

LEASE NUMBER: ML47441

and hereby designates

NAME: Tidewater Oil & Gas LLC

ADDRESS: 1645 Court Place, Suite 301

city Denver state Co zip 80202

as his (check one) agent ☒ / operator ☐ with full authority to act in his behalf in complying with the terms of the lease and regulations applicable thereto and on whom the Division Director or Authorized Agent may serve written or oral instructions in securing compliance with the Oil and Gas Conservation General Rules and Procedural Rules of the Board of Oil, Gas and Mining of the State of Utah with respect to

(Describe acreage to which this designation is applicable. Identify each oil and gas well by API number and name. Attach additional pages as needed.)


ML47441

It is understood that this designation of agent/operator does not relieve the lessee of responsibility for compliance with the terms of the lease and the Oil and Gas Conservation General Rules and Procedural Rules of the Board of Oil, Gas and Mining of the State of Utah. It is also understood that this designation of agent or operator does not constitute an assignment of any interest in the lease.

In case of default on the part of the designated agent/operator, the lessee will make full and prompt compliance with all rules, lease terms or orders of the Board of Oil, Gas and Mining of the State of Utah or its authorized representative.

The lessee agrees to promptly notify the Division Director or Authorized Agent of any change in this designation.

Effective Date of Designation: 05/01/2006

BY: (Name) Michael Cornish
(Signature) 
(Title) Manager
(Phone) (203) 894-1100

OF: (Company) MSC Exploration
(Address) 369 Florida Hill Rd
city Ridgefield
state CT zip 06877

AUG 30 2006

[Online Services](#)[Agency List](#)[Business](#)[Search Utah.gov](#)**Utah** Department of
Commerce

Business Entity Search

[? Help](#)

Name	Type	City	Status
MSC EXPLORATION, L.P.	Limited Partnership	Ridgefield	Active
Business Name:	MSC EXPLORATION, L.P.		
Entity Number:	5630131-0181		
Registration Date:	04/21/2004		
State of Origin:	DE		

Address

369 FLORIDA HILL RD
Ridgefield, CT 06877

Status

Status:	Active
Status Description:	Good Standing
This Status Date:	06/08/2005
Last Renewed:	04/25/2006
License Type:	Limited Partnership - Foreign
Delinquent Date:	04/21/2007

Registered Agent

Registered Agent:	CT CORPORATION SYSTEM
	[Search BES] [Search RPS]
Address Line 1:	136 East South Temple Ste 2100
Address Line 2:	
City:	Salt Lake City
State:	UT
Zip:	84111

Additional Information

NAICS Code:	2111
NAICS Title:	2111-Oil and Gas Extraction

With this information, you can...[Purchase Certificate of Existence](#)

If you would like to purchase a Certificate of Existence for this business entity, select the button to the left. You will be assessed a **\$ 12.00 fee** for this service. You will need Adobe Reader to view this certificate. If you do not have Adobe Reader, click on the button below and download it.

[Access Principal Information](#)

If you would like to receive information on the principal individuals associated with this entity, click the button on the left. You will be assessed a **\$ 1.00 fee** for this information.

[Back to search results](#)[Do Another Search](#)[Department of Commerce Home](#) | [Division of Corporations Home](#) | [Contact Us](#)[Utah.gov Home](#) | [Utah.gov Terms of Use](#) | [Utah.gov Privacy Policy](#) | [Utah.gov Accessibility Policy](#)

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Division of Oil, Gas and Mining
PHONE CONVERSATION DOCUMENTATION FORM

Route original/copy to:

☐ Well File #

☐ Suspense

☐ Other

State Solaris 1-32
(Loc.) Sec 32 Twp 24S Rng 19E
(API No.) 43 019 31394

(Return Date) _____

(To-Initials) _____

1. Date of Phone Call: 9/8/06 Time: 12:05

2. DOGM Employee (name) Dawn Duncet (☒ Initiated Call)

Talked to:

Name Lynn Faust (☐ Initiated Call) - Phone No. (201) 931-8933
of (Company/Organization) MSC. Exploration

3. Topic of Conversation: P/A of Solaris 1-32 well by
Tidewater

4. Highlights of Conversation: wanted to verify validity of designation
of Agent/operator submitted by Michael Cornish at 369
Florida Hill Rd., Ridgefield, CT 06877 to allow P/A of well,
Faust confirmed he was the owner of the company
and was O.K. to plug well.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: ML47441
2. NAME OF OPERATOR: Tidewater Oil & Gas, LLC		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 1645 Court Pl., Suite 310 Denver CO 80202		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2073 FSL, ⁶ 649 FEL		8. WELL NAME and NUMBER: <i>STATE 1-32</i> State MSG-SOLARIS-1-32
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: S2N2 32 21S 19E		9. API NUMBER: 4301931394
COUNTY: GRAND		10. FIELD AND POOL, OR WILDCAT WILDCAT
STATE: UTAH		

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input checked="" type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 10/31/2006	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

1. Move in rig.
2. Set cement retainer at 3362'. (above Navajo).
4. Squeeze cement 55 sxs cement through retainer. Pull out of retainer and left 12 sxs cement on top of retainer
5. Tagged cement. Cemented with 30 sx @ 3362'. Tagged cement at +/- 3000'.
6. Pull tubing to 517'. Balance pump 60 sx of cement from 520' to surface .
7. Ran 1" down 5.5" annulus. Place 30 sxs cement to surface.
8. Topped of cement with 10 sx cement.
9. Cut of casing 4 ft. below surface. Weld on plate and dry hole marker.
10. Restore surface.

All plugging operations witnessed by Mark Jones, State of Utah Oil and Gas inspector.

RECEIVED
NOV 29 2006

DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) R.E. KNIGHT	TITLE AGENT
SIGNATURE <i>R.E. Knight</i>	DATE 11/1/2006

(This space for State use only)

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 5

DESIGNATION OF AGENT OR OPERATOR

The undersigned is, on record, the holder of oil and gas lease

LEASE NAME: _____

LEASE NUMBER: _____

and hereby designates

NAME: Tidewater Oil & Gas LLC N3000

ADDRESS: 1645 Court Place, Suite 301

city DENVER state CO zip 80202

as his (check one) agent ☐ / operator ☒, with full authority to act in his behalf in complying with the terms of the lease and regulations applicable thereto and on whom the Division Director or Authorized Agent may serve written or oral instructions in securing compliance with the Oil and Gas Conservation General Rules and Procedural Rules of the Board of Oil, Gas and Mining of the State of Utah with respect to:

(Describe acreage to which this designation is applicable. Identify each oil and gas well by API number and name. Attach additional pages as needed.)

43-019-31401 STATE MSC 16-1
43-019-31402 CACTUS ROSE MSC 2-1
~~43-019-31404 FEDERAL MSG 26-1~~
43-019-31408 STATE MSC 35-2
~~43-019-31394 STATE 1-32*~~
43-019-31399 STATE 21-19 (32-16D)
43-019-31404 STATE MSC 35-1
43-019-31412 N THOMPSON 2-1

APPROVED 10/25/06
Earlene Russell
Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

MSC HAS BONDED THESE WELLS - ER

It is understood that this designation of agent/operator does not relieve the lessee of responsibility for compliance with the terms of the lease and the Oil and Gas Conservation General Rules and Procedural Rules of the Board of Oil, Gas and Mining of the State of Utah. It is also understood that this designation of agent or operator does not constitute an assignment of any interest in the lease.

In case of default on the part of the designated agent/operator, the lessee will make full and prompt compliance with all rules, lease terms or orders of the Board of Oil, Gas and Mining of the State of Utah or its authorized representative.

The lessee agrees to promptly notify the Division Director or Authorized Agent of any change in this designation.

Effective Date of Designation: 10/10/2006

BY: (Name) Michael Carmish
(Signature) [Signature]
(Title) President
(Phone) (203) 994-1079

OF: (Company) MSC Exploration, LP N2595
(Address) 369 Florida Hill Rd.
RIDGEFIELD
city CT state 06877 zip

RECEIVED

OCT 25 2006

(5/2000)

DIV. OF OIL, GAS & MINING

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET

ROUTING	
1. DJJ	
2. CDW	

X - Change of Operator (Well Sold)

Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective:

2/12/2008

FROM: (Old Operator): N3000-Tidewater Oil & Gas Company, LLC 110 16th St, Suite 1200 Denver, CO 80202 Phone: 1 (303) 327-7134	TO: (New Operator): N3440-NAE, LLC 16800 Imperial Valley Dr, Suite 380 Houston, TX 77060 Phone: 1 (281) 931-8933
--	--

CA No.				Unit:					
WELL NAME			SEC TWN RNG		API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
SEE ATTACHED LIST									

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 2/26/2008
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 2/22/2008
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 1/15/2008
- a. Is the new operator registered in the State of Utah: _____ Business Number: 6666480-0161
- b. If **NO**, the operator was contacted on: _____
- a. (R649-9-2)Waste Management Plan has been received on: IN PLACE
- b. Inspections of LA PA state/fee well sites complete on: ok
- c. Reports current for Production/Disposition & Sundries on: ok
- Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM not yet BIA
- Federal and Indian Units:**
The BLM or BIA has approved the successor of unit operator for wells listed on: not yet
- Federal and Indian Communization Agreements ("CA"):**
The BLM or BIA has approved the operator for all wells listed within a CA on: n/a
- Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: n/a

DATA ENTRY:

- Changes entered in the **Oil and Gas Database** on: 2/27/2008
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 2/27/2008
- Bond information entered in RBDMS on: 2/27/2008
- Fee/State wells attached to bond in RBDMS on: 2/27/2008
- Injection Projects to new operator in RBDMS on: n/a
- Receipt of Acceptance of Drilling Procedures for APD/New on: 2/27/2008

BOND VERIFICATION:

- Federal well(s) covered by Bond Number: UTB000296
- Indian well(s) covered by Bond Number: n/a
- a. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number 8030575893
- b. The **FORMER** operator has requested a release of liability from their bond on: 2/22/2008
The Division sent response by letter on: n/a

LEASE INTEREST OWNER NOTIFICATION:

- (R649-2-10) The **NEW** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: n/a

COMMENTS:

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5. LEASE DESIGNATION AND SERIAL NUMBER:

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

8. WELL NAME and NUMBER:

9. API NUMBER:

10. FIELD AND POOL, OR WLOCAT:

1. TYPE OF WELL

OIL WELL ☐

GAS WELL ☐

OTHER

2. NAME OF OPERATOR:

NAE, LLC

3. ADDRESS OF OPERATOR:

16800 Imperial Valley Dr.

CITY

Ste. 380 HOUSTON

STATE

TX

ZIP

77060

PHONE NUMBER:

(281) 931-8933

4. LOCATION OF WELL

FOOTAGES AT SURFACE:

COUNTY:

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:

STATE:

UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

☐

NOTICE OF INTENT
(Submit in Duplicate)

Approximate date work will start:

☐

SUBSEQUENT REPORT
(Submit Original Form Only)

Date of work completion:

☐

ACIDIZE

☐

ALTER CASING

☐

CASING REPAIR

☐

CHANGE TO PREVIOUS PLANS

☐

CHANGE TUBING

☐

CHANGE WELL NAME

☐

CHANGE WELL STATUS

☐

COMMINGLE PRODUCING FORMATIONS

☐

CONVERT WELL TYPE

☐

DEEPEN

☐

FRACTURE TREAT

☐

NEW CONSTRUCTION

☒

OPERATOR CHANGE

☐

PLUG AND ABANDON

☐

PLUG BACK

☐

PRODUCTION (START/RESUME)

☐

RECLAMATION OF WELL SITE

☐

RECOMPLETE - DIFFERENT FORMATION

☐

REPERFORATE CURRENT FORMATION

☐

SIDETRACK TO REPAIR WELL

☐

TEMPORARILY ABANDON

☐

TUBING REPAIR

☐

VENT OR FLARE

☐

WATER DISPOSAL

☐

WATER SHUT-OFF

☐

OTHER:

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

NAE, LLC will be assuming all plugging and reclamation liabilities for the wells on the schedule attached hereto.

Effective Date: 2/12/08

Federal Bond Number: UTB000296

State Bond Number: 8030575893

Name: Tidewater Oil & Gas Company LLC. Address: 110 16th St., Ste 1200, Denver, CO 80202

Signature:

Title:

Date:

02/21/08

NAME (PLEASE PRINT)

MICHAEL CORWISH

TITLE

MANAGER NAE

SIGNATURE

DATE

2/13/08

(This space for State use only)

APPROVED 2/27/08

Earlene Russell

Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

RECEIVED

FEB 22 2008

DIV. OF OIL, GAS & MINING

well_name	sec	twp	rng	api	entity	lease	well	stat
FEDERAL MSC 26-1	26	210S	190E	4301931407	14785	Federal	GW	S
FEDERAL 7-34-2122	07	210S	220E	4301931484		Federal	OW	APD
BLACK HAT FED 18-43-2224	18	220S	240E	4301931495		Federal	OW	APD
OLD SAGERS FED 13-32-2222	13	220S	220E	4301931497		Federal	OW	APD
STATE 1-32	32	210S	190E	4301931394	13598	State	OW	PA
STATE 21-19 (32-16D)	32	210S	190E	4301931399	13903	State	OW	TA
STATE MSC 16-1	16	210S	200E	4301931401	14166	State	OW	S
STATE MSC 35-1	35	210S	190E	4301931404	14259	State	GW	S
N THOMPSON 2-1	02	210S	200E	4301931412	14376	State	GW	OPS
TIDEWATER ST 23-5	23	210S	230E	4301931466	16258	State	OW	PA
TIDEWATER ST 23-2	23	210S	230E	4301931467		State	GW	APD
TIDEWATER ST 23-1	23	210S	230E	4301931468		State	GW	APD

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Request to Transfer Application or Permit to Drill

(This form should accompany a Sundry Notice, Form 9, requesting APD transfer)

Well name:	* Please see attached schedule *
API number:	
Location:	
Company that filed original application:	Tidewater oil + Gas Company
Date original permit was issued:	
Company that permit was issued to:	

Check one	Desired Action:
<input type="checkbox"/>	Transfer pending (unapproved) Application for Permit to Drill to new operator
<input type="checkbox"/>	The undersigned as owner with legal rights to drill on the property, hereby verifies that the information as submitted in the pending Application for Permit to Drill, remains valid and does not require revision. The new owner of the application accepts and agrees to the information and procedures as stated in the application.
<input checked="" type="checkbox"/>	Transfer approved Application for Permit to Drill to new operator
<input type="checkbox"/>	The undersigned as owner with legal rights to drill on the property as permitted, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.	Yes	No
If located on private land, has the ownership changed?		<input checked="" type="checkbox"/>
<input type="checkbox"/> If so, has the surface agreement been updated?		
Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location?		<input checked="" type="checkbox"/>
Have there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well?		<input checked="" type="checkbox"/>
Have there been any changes to the access route including ownership or right-of-way, which could affect the proposed location?		<input checked="" type="checkbox"/>
Has the approved source of water for drilling changed?		<input checked="" type="checkbox"/>
Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation?		<input checked="" type="checkbox"/>
Is bonding still in place, which covers this proposed well? Bond No. 8030575893	<input checked="" type="checkbox"/>	

Any desired or necessary changes to either a pending or approved Application for Permit to Drill that is being transferred, should be filed on a Sundry Notice, Form 9, or amended Application for Permit to Drill, Form 3, as appropriate, with necessary supporting information as required.

Name (please print) Michael Cornish Title MANAGER
Signature [Signature] Date 2-26-08
Representing (company name) NAE, LLC

The person signing this form must have legal authority to represent the company or individual(s) to be listed as the new operator on the Application for Permit to Drill.

(3/2004)

RECEIVED

FEB 26 2008

DIV. OF OIL, GAS & MINING